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Industrial Development Board

Resumed eighteenth session
Vienna, November 1997
Item 4 (g) of the provisional agenda

Programme and Budget Committee

Thirteenth session
Vienna, 8-11 September 1997
Item 4 of the provisional agenda

FINANCIAL SITUATION OF UNIDO

Report of the External Auditor on the interim accounts of the United Nations Industrial Development Organization and of the Industrial Development Fund for the first year of the fiscal period 1996-1997 ended 31 December 1996*

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LETTER OF TRANSMITTAL

Sir,

I have the honour to present to the Programme and Budget Committee my report on the interim accounts for the first year of the financial period 1996-1997 ended 31 December 1996.

Accept Sir, the assurances of my highest consideration.

[*Signed*]

Dr. H. von Wedel
President of the Federal Court of Audit
Germany
External Auditor

Enclosures

The Chairperson of the Programme and
Budget Committee
UNIDO
A-1400 Wien
Österreich

I. GENERAL

1. I have audited the accounts of the United Nations Industrial Development Organization (UNIDO) for the financial period 1 January 1996 to 31 December 1996 in accordance with Article XI of the Financial Regulations of the Organization and the "Additional terms of reference governing the audit of UNIDO" appended thereto.

2. The audit was carried out by staff of the German Federal Court of Audit at UNIDO Headquarters in Vienna. The examinations were performed in accordance with generally accepted auditing standards, conforming with international standards, and with the common auditing standards adopted by the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency. Consequently, my work did not involve a detailed review of all aspects of UNIDO's budgetary and financial information system and the results cannot be regarded as a comprehensive statement on them.

3. In line with established audit practice and procedures the findings and conclusions contained in this report have been discussed by the audit team with senior officials of the Organization and their comments and observations have been incorporated in the report where possible and appropriate.

II. SUMMARY OF FINDINGS AND CONCLUSIONS

4. In the financial statements for the first 12-month period of the biennium 1996-1997, and for the first time in its history UNIDO established a provision for delay in the collection of assessed contributions. The new accounting practice is in line with recommendations made by the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency.

5. In total, the contributions receivable as at 31 December 1995 not paid by 31 December 1996, amount to $61,825,200. The provision for delay leads to a shortfall of income over expenditure of $35,984,600 for the financial year 1996. Taking into account the unpaid contribution of the United States of America of $28.7 million for the current biennium not yet included in this provision, the financial statement would reflect negative reserves and fund balances of $3,339 million.

6. UNIDO used up all available reserves towards the end of the year 1996. In 1997 opening cash has dropped to $900,000 only, so there is reason for serious concern about the ability to pay future liabilities. It is imperative that outstanding assessed contributions are paid as soon as possible to alleviate the serious financial crisis.

7. In case another staff reduction exercise becomes necessary, it may not be possible to fund a reserve for separation benefits, as the surplus for the 1994-1995 biennium is presently not backed up by cash resources.

III. BUDGETARY, ACCOUNTING AND FINANCIAL REPORTING PROCEDURES

8. Our examination of the financial statements and supporting schedules revealed that UNIDO's financial situation has declined dramatically. UNIDO is facing financial risks.

A. Arrears of assessed contribution

9. In October 1996 we drew the Administration's attention to the risks resulting from UNIDO's practice of accounting for unpaid assessed contributions at the nominal value without any depreciation or provision for possible non-payment. This practice, which takes no account of the date of origin or the solvency or the debtor's willingness to pay is common accounting practice in the United Nations system. However, this practice leads to the result that in case of major arrears of assessed contributions receivable, the assets are presented more valuable than they really are. The same applies for the surplus that seems to be available for UNIDO for distribution to the Member States.

10. In the financial statements for the first 12-month period of the biennium 1996-1997, and for the first time in its history, UNIDO established a provision for delay in the collection of assessed contributions. The provision comprises arrears of contributions receivable from Member States as at 31 December 1995 not paid by 31 December 1996 amounting to $61,825,200. The transfer to the provision for delay leads to a shortfall of income over expenditure of $35,984,600.

11. This new accounting practice is in line with recommendations made by the Panel of External Auditors of the United Nations, the specialized agencies and the International Atomic Energy Agency. We welcome the establishment of the provision for delay.

12. There are two reasons for the great impact of the provisions for delay on the financial statements. First, as UNIDO has established the provision for delay for the first time, the actual amount covers the backlog for the bienniums prior to 31 December 1995. Secondly, the United States of America left UNIDO with arrears of $64.5 million. $35.8 million of this amount is already included in the provision for delay. The remaining $28.7 million is due in the biennium 1996-1997. This amount is not included in the current provision for delay but, if it remains unpaid, will take effect in the next biennium. This could result in an excess of expenditures over income in 1998-1999.

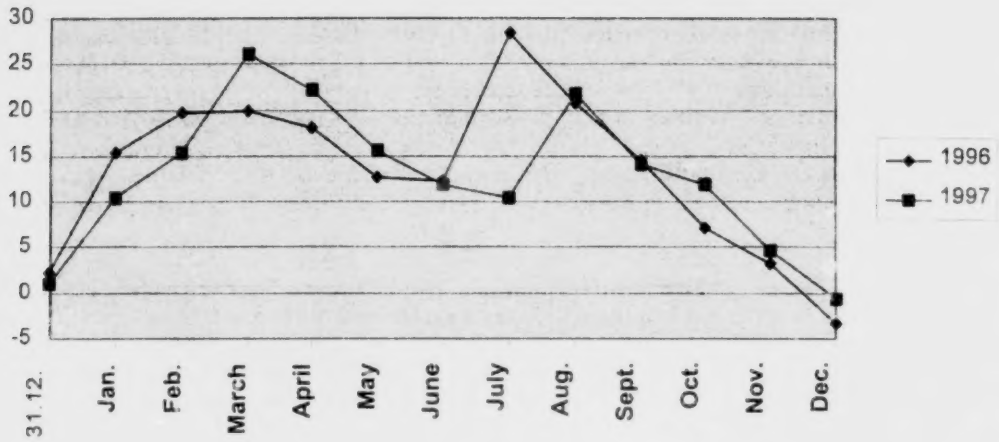
13. In order to give an impression of the impact of the provision for delay, we have contrasted the surplus of the first year of the biennium 1996-1997 without any provision for delay with the surplus as shown in the statement of income and expenditure.

14. The introduction of the new accounting policy ensures that a more realistic value of the Organization's assets and reserves is disclosed in the financial statement.

Impact of the provision for delay

(In thousands of United States dollars)

	Version 1 (without provision for delays)	Version 2 (provision for delays until 31.12.1995)
Income		
Assessed contributions	108,908.9	108,908.9
Other income	14,333.6	14,333.6
Total expenditure	-97,491.2	-97,491.2
EXCESS/SHORTFALL OF INCOME OVER EXPENDITURE	25,751.3	25,751.3
Provision for delays	0	-61,825.2
Other	89.3	89.3
NET EXCESS/SHORTFALL OF INCOME OVER EXPENDITURE	25,840.6	-35,984.6
Transfers and credits	-9,211.2	-9,211.2
Reserves and balances, beginning of biennium	70,594.2	70,594.2
RESERVES AND FUND BALANCES, END OF 1996	87,223.6	25,398.4



B. Cash flow

15. According to Treasury's cash flow forecast for 1996, as of 31 January 1996 there were no major cash flow problems foreseen for 1996 in the short run assuming that staff members were reduced to the contingency plan levels as planned and the major contributors paid as predicted. The same applies for the 1997 forecast according to the analysis as of 5 February 1997. The monthly cash balances for 1996 included the use of the Working Capital Fund. In the above chart we compare the monthly closing cash balances of the respective years.

16. However, towards the end of 1996 UNIDO in fact faced severe cash problems. In order to be able to pay the salaries, Treasury delayed a number of other payments due until cash was available during the last days of 1996. Cash related to the separation indemnity reserve balance was set aside. These measures helped UNIDO to overcome the critical situation.

17. In 1997 it can be expected that the problems will increase. It must be noted that, before the end of 1996, several Member States paid their 1997 contributions amounting to a total of $1.3 million in advance. These funds had to be used to settle bills and were, therefore, not available in 1997.

18. There are some important differences between the two years. In 1996 funds were available in the Working Capital Fund and opening liquid cash balances amounted to $2.3 million. In 1996, however, UNIDO used up all available cash reserves towards the end of the year. In 1997, opening cash has dropped to $900,000 only. This gives reason for serious concern about the Organization's ability to pay future liabilities. Furthermore, the Organization is forced to delay the financial implementation of the budget due to projected cash shortfalls. The reserves are depleted. Therefore, cash outflows have to be funded exclusively from cash inflows on a month-to-month basis.

19. For the Organization to be in a reasonably secure financial position, the Working Capital Fund should be fully replenished and the minimum cash balances at the end of 1997 should be equal to the value of unliquidated obligations. Taking all the above factors into account we consider that a timely and complete collection of assessed contributions is most crucial.

C. Financial risks for UNIDO

20. In the light of the reported financial constraints the announcements of some Member States to withdraw is most problematic for UNIDO. As it can be expected that the countries in question pay their still outstanding contributions for 1997, the withdrawals would have the consequence of a further reduction of contributions beyond 1997 only. However, this reduction of income will require further budget reductions for 1998-1999, including reduction of expenditures, especially personnel costs. This process has to be started early enough to be able to plan and assess the effectiveness sufficiently.

21. We stress that in case another staff reduction exercise becomes necessary, it may not presently be possible to fund a reserve for separation benefits, as the surplus for the 1994-1995 biennium is not backed up by cash resources. Therefore the Member States would be obliged to provide additional funds for that purpose.

ACKNOWLEDGEMENT

I wish to express my appreciation of the cooperation and assistance extended by the Director-General and the staff of UNIDO, in particular the staff of Financial Services.

[*Signed*] Dr. H. von Wedel
President of the Federal Court of Audit
Germany
External Auditor

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25 July 1997

United Nations Industrial Development Organization

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Industrial Development Board

Resumed eighteenth session
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Item 4 (b) of the provisional agenda

Programme and Budget Committee

Thirteenth session
Vienna, 8-12 September 1997
Item 5 of the provisional agenda

INTERIM FINANCIAL PERFORMANCE REPORT AND PROGRAMME PERFORMANCE REPORT FOR THE BIENNIUM 1996-1997

Interim financial performance report for the biennium 1996-1997

Submitted by the Director-General

Summary

Itemizes the utilization of financial resources during the period 1 January - 31 December 1996 in accordance with Programme and Budget Committee conclusion 1987/19.

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Introduction

1. In its conclusion 1987/19, paragraph (j), the Programme and Budget Committee requested the Director-General to submit each year to the Industrial Development Board through the Committee a clear and detailed financial performance report itemizing the utilization of financial resources.

2. The present interim financial performance report covers the period 1 January - 31 December 1996 and is based on the appropriations contained in the programme and budgets, 1996-1997, as adopted by the General Conference at its sixth session (decision GC.6/Dec.11).

I. FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 1996

Certification of financial statements

Director-General's responsibility

The Director-General of the United Nations Industrial Development Organization is responsible for the preparation and integrity of the financial statements. These statements have been prepared in accordance with the United Nations organizations' common accounting standards and necessarily include some amounts that are based on management's best estimates and judgement. Financial information used elsewhere is consistent with that in the financial statements. Management considers that the statements present fairly the financial position of the Organization and of funds held in trust by it, the results of their operations and the changes in their financial position.

To fulfill its responsibility, the Organization maintains systems of internal accounting controls, policies and procedures to ensure the reliability of financial information and the safeguarding of assets. The internal control system and financial records are subject to reviews by the internal audit service and the External Auditor during their respective audits.

The following appended financial statements, comprising Statements I to IV, relevant schedules, and supporting notes, were properly prepared in accordance with article X of the Financial Regulations of UNIDO and with the United Nations Common Accounting Standards and are hereby approved.

(Signed)

Mauricio de Maria y Campos
Director-General

(Signed)

Andrew Ingram
Director
Financial Services

Statement I

STATEMENT OF INCOME AND EXPENDITURE AND CHANGES IN RESERVES AND FUND BALANCES

for the year ended 31 December 1996

(In thousands of United States dollars)

Heading	General Fund and Working Capital Fund *(Note or schedule No.)*		Other headquarters funds *(Note or schedule No.)*		Technical cooperation *(Note or schedule No.)*		Eliminations	Total
INCOME								
Assessed contributions	108,908.9	*2(a)*						108,908.9
Voluntary contributions					69,255.8			69,255.8
Other income								
Revenue-producing activities	67.8	*2(b)*						67.8
Funds received under inter-organization arrangements								
Allocations from other funds					33,631.6			33,631.6
Jointly-financed activities	12,964.6							12,964.6
Income for services rendered	591.9		13,055.2					13,647.1
Interest income	659.6		210.3		7,284.6			8,154.5
Currency exchange adjustments	(757.2)	*2(c)*	(98.0)		(266.0)			(1,121.2)
Miscellaneous	806.9				(33.1)			773.8
TOTAL INCOME	123,242.5		13,167.5		109,872.9			246,282.9
EXPENDITURE								
Salaries and common staff costs	67,884.0		12,470.4		39,368.8		2,153.1	121,876.3
Contractual services	358.6		33.2		21,703.6		82.3	22,177.7
Operational expenses	13,664.8		471.3		4,003.2		255.6	18,394.9
Acquisitions	237.7		592.5		17,093.2		140.2	18,063.6
Fellowships					7,095.0		655.4	7,750.4
Technical cooperation	3,286.6						(3,286.6)	
Programme support costs			14.5		11,844.7			11,859.2
Other expenditure	12,059.5		21.6					12,081.1
TOTAL EXPENDITURE	97,491.2		13,603.5		101,108.5			212,203.2
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	25,751.3		(436.0)	*3(b)*	8,764.4			34,079.7
Prior biennium adjustments	(3,790.0)	*2(d)*			(15.5)			(3,805.5)
Savings on or cancellation of obligations from prior biennium	3,879.3	*2(e)*	371.7					4,251.0
Provision for delays in the collection of contributions	(61,825.2)							(61,825.2)
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE	(35,984.6)		(64.3)		8,748.9			(27,300.0)
Transfers to reserves					116.1	*4(b)*		116.1
Transfers from reserves	(6,932.4)							(6,932.4)
Credits to Member States	(2,278.8)							(2,278.8)
Reserves and fund balances, beginning of biennium	70,594.2		3,915.4		75,470.8			149,980.4
RESERVES AND FUND BALANCES, END OF 1996	25,398.4		3,851.1		84,335.8			113,585.3

STATEMENT OF ASSETS, LIABILITIES, AND RESERVES AND FUND BALANCES

for the biennium 1996-1997 as at 31 December 1996

(In thousands of United States dollars)

Heading	General Fund and Working Capital Fund *(Note or schedule No.)*		Other headquarter funds *(Note or schedule No.)*		Technical cooperation *(Note or schedule No.)*		Eliminations	Total
ASSETS								
Cash and term deposits	3,724.7		4,091.2		155,019.2	*4(c)*		162,835.1
Investments								
Accounts receivable								
Assessed contributions receivable from Member States	108,770.3	2.1						108,770.3
Voluntary contributions receivable					29,894.5	2.2		29,894.5
Other contributions receivable	574.3	2.1			9,226.6			9,800.9
Provision for delays in the collection of contributions	(61,825.2)							
Interfund balances			294.8		1,386.9			1,681.7
Other	13,957.9	*2(f)*	189.1		3,725.4	*4(d)*		17,872.4
Other assets					5,395.4	*4(e)*		5,395.4
TOTAL ASSETS	65,202.0		4,575.1		204,648.0			336,250.3
LIABILITIES								
Payments or contributions received in advance	1,277.3	*2(g)*			7,718.4	*4(f)*		8,995.7
Borrowings payable within one year	1,000.0	*2(h)*						1,000.0
Unliquidated obligations	7,216.9	*2(i)*	665.3		30,223.5			38,105.7
Accounts payable								
Interfund balances	1,050.7				631.0			1,681.7
Other	6,889.9	*2(i)*	58.7		8,085.1	*4(g)*		15,033.7
Other funds and special accounts								
Other liabilities	14,368.8	2(a)			73,654.2	*4(f)*		88,023.0
Borrowings payable after one year	8,000.0	*2(h)*						8,000.0
TOTAL LIABILITIES	39,803.6		724.0		120,312.2			160,839.8
RESERVES AND FUND BALANCES								
Operating reserves			4,300.0	*3(c)*	550.0	*4(h)*		4,850.0
Other reserves	1,823.2	*2(d)*			1,719.0			3,542.2
Balances relating to projects funded by donors					79,720.1			79,720.1
Working capital funds	6,750.0	*2(k)*						6,750.0
Surplus (deficit)	16,825.2	*2(j)*	(448.9)		2,346.7			18,723.0
TOTAL RESERVES AND FUND BALANCES	25,398.4		3,851.1		84,335.8			113,585.3
TOTAL LIABILITIES, RESERVES AND FUND BALANCES	65,202.0		4,575.1		204,648.0			274,425.1

Schedule 2.1

STATUS OF ASSESSED CONTRIBUTIONS TO THE REGULAR BUDGET

(As of 31 December 1996)

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996				Credits and Collections in 1996				Contributions Outstanding as of 31 December 1996					TOTAL
		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium			
		Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	$ Equiv.	$ Equiv.
AFGHANISTAN	0.0100	13,862	222,852	938	88,750	225	0	0	0	13,637	222,852	938	88,750	29,162	43,737
ALBANIA	0.0100	22,523	222,852	938	88,750	225	0	0	0	22,298	222,852	938	88,750	29,162	52,398
ALGERIA	0.2224	10,445	988,109	20,865	1,973,808	10,445	988,109	0	0	0	0	20,865	1,973,808	182,760	203,625
ANGOLA	0.0100	1,845	174,492	938	88,750	22	2,035	0	0	1,823	172,457	938	88,750	24,426	27,187
ARGENTINA	0.6671	688,346	13,371,090	62,585	5,920,537	550,610	341,322	0	0	137,736	13,029,768	62,585	5,920,537	1,772,801	1,973,122
ARMENIA	0.0764	295,180	3,119,920	7,168	678,053	0	0	0	0	295,180	3,119,920	7,168	678,053	356,009	658,357
AUSTRALIA	2.0570	0	0	192,980	18,255,950	0	0	192,980	18,255,950	0	0	0	0	0	0
AUSTRIA	1.2022	0	0	112,786	10,669,569	0	0	112,786	10,669,569	0	0	0	0	0	0
AZERBAIJAN	0.1633	276,043	5,125,584	15,320	1,449,293	0	0	0	0	276,043	5,125,584	15,320	1,449,293	615,922	907,285
BAHAMAS	0.0278	0	0	2,608	246,726	0	0	2,608	246,726	0	0	0	0	0	0
BAHRAIN	0.0278	0	0	2,608	246,726	0	0	2,608	246,726	0	0	0	0	0	0
BANGLADESH	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
BARBADOS	0.0100	0	0	938	88,750	0	0	22	2,035	0	0	916	86,715	8,029	8,945
BELARUS	0.4065	396,848	11,142,574	38,136	3,607,702	17,561	0	0	0	379,287	11,142,574	38,136	3,607,702	1,381,280	1,798,703
BELGIUM	1.4003	0	0	131,371	12,427,713	0	0	131,371	12,427,713	0	0	0	0	0	0
BELIZE	0.0100	0	0	938	88,750	0	0	22	2,035	0	0	916	86,715	8,029	8,945
BENIN	0.0100	0	0	938	88,750	0	0	22	2,035	0	0	916	86,715	8,029	8,945
BHUTAN	0.0100	2,006	189,719	938	88,750	960	90,785	0	0	1,046	98,934	938	88,750	17,516	19,500
BOLIVIA	0.0100	24,794	222,852	938	88,750	225	0	0	0	24,569	222,852	938	88,750	29,162	54,669
BOSNIA AND HERZEGOVINA	0.0174	90,100	891,406	1,632	154,426	0	0	0	0	90,100	891,406	1,632	154,426	98,077	189,809
BOTSWANA	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
BRAZIL	2.2516	317,062	29,994,064	211,237	19,983,032	0	0	0	0	317,062	29,994,064	211,237	19,983,032	4,669,272	5,197,571
BULGARIA	0.1147	0	0	10,761	1,017,967	0	0	10,761	1,017,967	0	0	0	0	0	0

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996				Credits and Collections in 1996				Contributions Outstanding as of 31 December 1996					
		Prior Bienniums		Current Biennium		Prior Bienniums		Current Biennium		Prior Bienniums		Current Biennium			TOTAL
		Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	$ Equiv.	$ Equiv.
BURKINA FASO	0.0100	61,831	222,852	938	88,750	18,218	0	0	0	43,613	222,852	938	88,750	29,162	73,713
BURUNDI	0.0100	7,049	222,852	938	88,750	225	0	0	0	6,824	222,852	938	88,750	29,162	36,924
CAMBODIA	0.0100	0	0	938	88,950	0	0	0	0	0	0	938	88,750	8,218	9,156
CAMEROON	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
CAPE VERDE	0.0100	31,247	222,852	938	88,750	225	0	0	0	31,022	222,852	938	88,750	29,162	61,122
CENTRAL AFRICAN REPUBLIC	0.0100	47,222	222,852	938	88,750	225	0	0	0	46,997	222,852	938	88,750	29,162	77,097
CHAD	0.0100	22,526	222,852	938	88,750	0	0	0	0	22,526	222,852	938	88,750	29,162	52,626
CHILE	0.1112	9,275	877,361	10,432	986,904	9,275	877,361	10,227	967,498	0	0	205	19,406	1,797	2,002
CHINA	1.0216	0	0	95,843	9,066,737	0	0	95,843	9,066,737	0	0	0	0	0	0
COLOMBIA	0.1390	173	16,410	13,040	1,233,630	173	16,410	13,040	1,233,630	0	0	0	0	0	0
COMOROS	0.0100	55,390	222,852	938	88,750	0	0	0	0	55,390	222,852	938	88,750	29,162	85,490
CONGO	0.0100	41,890	222,852	938	88,750	225	0	0	0	41,665	222,852	938	88,750	29,162	71,765
COSTA RICA	0.0100	39,615	222,852	938	88,750	9,860	0	0	0	29,755	222,852	938	88,750	29,162	59,855
COTE D'IVOIRE	0.0100	3,877	366,710	938	88,750	108	10,174	0	0	3,769	356,536	938	88,750	41,727	46,434
CROATIA	0.1251	32,980	3,119,920	11,736	1,110,267	6,905	653,209	0	0	26,075	2,466,711	11,736	1,110,267	334,637	372,448
CUBA	0.0730	101,514	2,228,514	6,849	647,878	88,810	1,026,768	0	0	12,704	1,201,746	6,849	647,878	172,935	192,488
CYPRUS	0.0417	0	0	3,912	370,089	0	0	3,912	370,089	0	0	0	0	0	0
CZECH REPUBLIC	0.3614	0	0	33,905	3,207,438	0	0	33,905	3,207,438	0	0	0	0	0	0
DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA	0.0695	133,924	1,114,258	6,520	616,815	0	0	0	0	133,924	1,114,258	6,520	616,815	161,837	302,281
DENMARK	0.9972	0	0	93,554	8,850,186	0	0	93,554	8,850,186	0	0	0	0	0	0
DJIBOUTI	0.0100	22,526	222,852	938	88,750	0	0	0	0	22,526	222,852	938	88,750	29,162	52,626
DOMINICA	0.0100	20,503	222,852	938	88,750	225	0	0	0	20,278	222,852	938	88,750	29,162	50,378
DOMINICAN REPUBLIC	0.0100	178,382	445,702	938	88,750	0	0	0	0	178,382	445,702	938	88,750	50,108	229,428
ECUADOR	0.0278	40,837	668,554	2,608	246,726	823	0	0	0	40,014	668,554	2,608	246,726	85,679	128,301

Schedule 2.1

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996				Credits and Collections in 1996				Contributions Outstanding as of 31 December 1996					
		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium			TOTAL
		Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	$ Equiv.	$ Equiv.
EGYPT	0.0973	0	0	9,128	863,541	0	0	9,128	863,541	0	0	0	0	0	0
EL SALVADOR	0.0100	40,030	222,852	938	88,750	0	0	0	0	40,030	222,852	938	88,750	29,162	70,130
EQUATORIAL GUINEA	0.0100	55,390	222,852	938	88,750	0	0	0	0	55,390	222,852	938	88,750	29,162	85,490
ERITREA	0.0100	0	0	938	88,750	0	0	116	10,915	0	0	822	77,835	7,207	8,029
ETHIOPIA	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
FIJI	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
FINLAND	0.8582	0	0	80,513	7,616,556	0	0	80,513	7,616,556	0	0	0	0	0	0
FRANCE	8.9056	0	0	835,490	79,037,524	0	0	835,490	79,037,524	0	0	0	0	0	0
GABON	0.0100	33,350	445,702	938	88,750	31,107	233,534	0	0	2,243	212,168	938	88,750	28,159	31,340
GAMBIA	0.0100	55,390	222,852	938	88,750	0	0	0	0	55,390	222,852	938	88,750	29,162	85,490
GEORGIA	0.1633	475,380	4,902,732	15,320	1,449,293	0	0	0	0	475,380	4,902,732	15,320	1,449,293	594,978	1,085,678
GERMANY	12.5680	0	0	1,179,083	111,541,457	0	0	1,179,083	111,541,457	0	0	0	0	0	0
GHANA	0.0100	379	35,804	938	88,750	379	35,804	938	88,750	0	0	0	0	0	0
GREECE	0.5282	19,293	1,825,085	49,554	4,687,794	19,293	1,825,085	49,317	4,665,367	0	0	237	22,427	2,077	2,314
GRENADA	0.0100	42,608	222,852	938	88,750	225	0	0	0	42,383	222,852	938	88,750	29,162	72,483
GUATEMALA	0.0278	86,743	445,702	2,608	246,726	0	0	0	0	86,743	445,702	2,608	246,726	64,735	154,086
GUINEA	0.0100	21,510	222,852	938	88,750	19,403	23,553	0	0	2,107	199,299	938	88,750	26,949	29,994
GUINEA-BISSAU	0.0100	51,947	222,852	938	88,750	225	0	0	0	51,722	222,852	938	88,750	29,162	81,822
GUYANA	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
HAITI	0.0100	62,214	222,852	938	88,750	225	0	0	0	61,989	222,852	938	88,750	29,162	92,089
HONDURAS	0.0100	30,155	222,852	938	88,750	2,732	0	0	0	27,423	222,852	938	88,750	29,162	57,523
HUNGARY	0.1946	0	0	18,257	1,727,082	0	0	18,257	1,727,082	0	0	0	0	0	0
INDIA	0.4309	3,553	336,136	40,425	3,824,253	3,553	336,136	34,379	3,252,308	0	0	6,046	571,945	52,958	59,004
INDONESIA	0.1946	0	0	18,257	1,727,082	0	0	18,257	1,727,082	0	0	0	0	0	0

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996				Credits and Collections in 1996				Contributions Outstanding as of 31 December 1996					TOTAL
		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium			
		Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	$ Equiv.	$ Equiv.
IRAN (ISLAMIC REPUBLIC OF)	0.6498	106,948	10,117,252	60,962	5,766,999	27,591	2,610,121	0	0	79,357	7,507,131	60,962	5,766,999	1,239,538	1,379,857
IRAQ	0.1946	400,334	3,119,920	18,257	1,727,082	0	0	0	0	400,334	3,119,920	18,257	1,727,082	453,141	871,732
IRELAND	0.2919	0	0	27,385	2,590,623	0	0	27,385	2,590,623	0	0	0	0	0	0
ISRAEL	0.3718	0	0	34,881	3,299,739	0	0	34,881	3,299,739	0	0	0	0	0	0
ITALY	7.2239	0	0	677,719	64,112,375	0	0	355,706	33,649,905	0	0	322,013	30,462,470	2,820,599	3,142,612
JAMAICA	0.0100	33	3,140	938	88,750	33	3,140	86	8,181	0	0	852	80,569	7,460	8,312
JAPAN	21.4528	0	0	2,012,621	190,394,379	0	0	2,012,621	190,394,379	0	0	0	0	0	0
JORDAN	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
KENYA	0.0100	9,968	222,852	938	88,750	9,830	209,837	0	0	138	13,015	938	88,750	9,441	10,517
KUWAIT	0.2641	30,624	2,897,069	24,777	2,343,897	30,624	2,897,069	24,777	2,343,897	0	0	0	0	0	0
KYRGYZSTAN	0.0452	74,642	1,337,108	4,240	401,152	0	0	0	0	74,642	1,337,108	4,240	401,152	182,812	241,694
LAO PEOPLE'S DEMOCRATIC REPUBLIC	0.0100	0	0	938	88,750	0	0	22	2,035	0	0	916	86,715	8,029	8,945
LEBANON	0.0100	1,178	111,426	938	88,750	22	2,035	0	0	1,156	109,391	938	88,750	18,499	20,593
LESOTHO	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
LIBERIA	0.0100	22,526	222,852	938	88,750	0	0	0	0	22,526	222,852	938	88,750	29,162	52,626
LIBYAN ARAB JAMAHIRIYA	0.2814	53,942	5,103,003	26,400	2,497,435	7,864	743,986	0	0	46,078	4,359,017	26,400	2,497,435	640,926	713,404
LITHUANIA	0.1181	37,692	3,565,624	11,080	1,048,142	2,562	242,333	0	0	35,130	3,323,291	11,080	1,048,142	409,390	455,600
LUXEMBOURG	0.0973	0	0	9,128	863,541	0	0	9,128	863,541	0	0	0	0	0	0
MADAGASCAR	0.0100	16,838	222,852	938	88,750	225	0	0	0	16,613	222,852	938	88,750	29,162	46,713
MALAWI	0.0100	2,063	195,116	938	88,750	22	2,035	0	0	2,041	193,081	938	88,750	26,364	29,343
MALAYSIA	0.1946	0	0	18,257	1,727,082	0	0	18,257	1,727,082	0	0	0	0	0	0
MALDIVES	0.0100	0	0	938	88,750	0	0	22	2,035	0	0	916	86,715	8,029	8,945
MALI	0.0100	12,348	222,852	938	88,750	10,193	18,999	0	0	2,155	203,853	938	88,750	27,377	30,470

Schedule 2.1

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996				Credits and Collections in 1996				Contributions Outstanding as of 31 December 1996					
		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium			TOTAL
		Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	$ Equiv.	$ Equiv.
MALTA	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
MAURITANIA	0.0100	49,451	222,852	938	88,750	225	0	0	0	49,226	222,852	938	88,750	29,162	79,326
MAURITIUS	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
MEXICO	1.0945	179	16,919	102,682	9,713,727	179	16,919	102,682	9,713,727	0	0	0	0	0	0
MONGOLIA	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
MOROCCO	0.0417	0	0	3,912	370,089	0	0	3,912	370,089	0	0	0	0	0	0
MOZAMBIQUE	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
MYANMAR	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
NAMIBIA	0.0100	0	0	938	88,750	0	0	863	81,639	0	0	75	7,111	658	733
NEPAL	0.0100	2,125	200,968	938	88,750	227	21,427	0	0	1,898	179,541	938	88,750	25,092	27,928
NETHERLANDS	2.2064	0	0	206,996	19,581,880	0	0	206,996	19,581,880	0	0	0	0	0	0
NEW ZEALAND	0.3336	0	0	31,297	2,960,712	0	0	31,297	2,960,712	0	0	0	0	0	0
NICARAGUA	0.0100	66,970	222,852	938	88,750	0	0	0	0	66,970	222,852	938	88,750	29,162	97,070
NIGER	0.0100	31,278	222,852	938	88,750	225	0	0	0	31,053	222,852	938	88,750	29,162	61,153
NIGERIA	0.1598	251,152	4,679,882	14,992	1,418,231	251,152	4,679,882	14,992	1,418,231	0	0	0	0	0	0
NORWAY	0.7783	0	0	73,017	6,907,441	0	0	73,017	6,907,441	0	0	0	0	0	0
OMAN	0.0556	0	0	5,216	493,452	0	0	5,216	493,452	0	0	0	0	0	0
PAKISTAN	0.0834	2,885	272,947	7,824	740,178	797	75,406	0	0	2,088	197,541	7,824	740,178	87,101	97,013
PANAMA	0.0100	4,094	387,276	938	88,750	2,198	207,928	0	0	1,896	179,348	938	88,750	25,074	27,908
PAPUA NEW GUINEA	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
PARAGUAY	0.0100	4,270	403,860	938	88,750	2,464	233,022	0	0	1,806	170,838	938	88,750	24,274	27,018
PERU	0.0834	133,144	1,337,108	7,824	740,178	119,011	95	0	0	14,133	1,337,013	7,824	740,178	194,194	216,151
PHILIPPINES	0.0834	0	0	7,824	740,178	0	0	7,824	740,178	0	0	0	0	0	0
POLAND	0.4691	0	0	44,009	4,163,280	0	0	44,009	4,163,280	0	0	0	0	0	0
PORTUGAL	0.3822	0	0	35,857	3,392,039	0	0	35,857	3,392,039	0	0	0	0	0	0

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	Credits and Collections in 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	Contributions Outstanding as of 31 December 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	$ Equiv.	TOTAL $ Equiv.
QATAR	0.0556	5,328	504,064	5,216	493,452	5,216	493,450	0	0	112	10,614	5,216	493,452	46,688	52,016
REPUBLIC OF KOREA	1.1362	0	0	106,594	10,083,816	0	0	106,594	10,083,816	0	0	0	0	0	0
REPUBLIC OF MOLDOVA	0.1181	188,961	3,565,624	11,080	1,048,142	92,028	0	0	0	96,933	3,565,624	11,080	1,048,142	432,166	540,179
ROMANIA	0.2085	41,685	3,943,463	19,561	1,850,445	41,685	3,943,463	0	0	0	0	19,561	1,850,445	171,338	190,899
RUSSIAN FEDERATION	6.1850	1,011,292	95,668,392	580,254	54,892,100	818,141	77,396,325	0	0	193,151	18,272,067	580,254	54,892,100	6,799,902	7,573,307
RWANDA	0.0100	11,141	222,852	938	88,750	225	0	0	0	10,916	222,852	938	88,750	29,162	41,016
SAINT KITTS AND NEVIS	0.0100	2,131	201,545	938	88,750	334	31,571	0	0	1,797	169,974	938	88,750	24,193	26,928
SAINT LUCIA	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
SAINT VINCENT AND THE GRENADINES	0.0100	46,750	222,852	938	88,750	225	0	0	0	46,525	222,852	938	88,750	29,162	76,625
SAO TOME AND PRINCIPE	0.0100	55,390	222,852	938	88,750	0	0	0	0	55,390	222,852	938	88,750	29,162	85,490
SAUDI ARABIA	1.0007	135,912	12,857,243	93,882	8,881,249	63,072	5,966,576	0	0	72,840	6,890,667	93,882	8,881,249	1,469,957	1,636,679
SENEGAL	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
SEYCHELLES	0.0100	41,650	222,852	938	88,750	225	0	0	0	41,425	222,852	938	88,750	29,162	71,525
SIERRA LEONE	0.0100	57,645	222,852	938	88,750	25,225	0	0	0	32,420	222,852	938	88,750	29,162	62,520
SLOVAKIA	0.1146	0	0	10,751	1,017,079	0	0	10,751	1,017,079	0	0	0	0	0	0
SLOVENIA	0.0973	0	0	9,128	863,541	0	0	9,128	863,541	0	0	0	0	0	0
SOMALIA	0.0100	66,970	222,852	938	88,750	0	0	0	0	66,970	222,852	938	88,750	29,162	97,070
SPAIN	3.2836	0	0	308,055	29,142,069	0	0	308,055	29,142,069	0	0	0	0	0	0
SRI LANKA	0.0100	1,178	111,426	938	88,750	1,178	111,426	421	39,825	0	0	517	48,925	4,530	5,047
SUDAN	0.0100	5,507	222,852	938	88,750	225	0	0	0	5,282	222,852	938	88,750	29,162	35,382
SURINAME	0.0100	27,862	222,852	938	88,750	27,862	222,852	68	6,431	0	0	870	82,319	7,622	8,492
SWAZILAND	0.0100	0	0	938	88,750	0	0	938	88,750	0	0	0	0	0	0
SWEDEN	1.7061	0	0	160,060	15,141,699	0	0	160,060	15,141,699	0	0	0	0	0	0

Schedule 2.1

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996				Credits and Collections in 1996				Contributions Outstanding as of 31 December 1996					
		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium		Prior Biennium		Current Biennium			TOTAL
		Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	Dollar	Schilling	$ Equiv.	$ Equiv.
SWITZERLAND	1.6817	0	0	157,771	14,925,149	0	0	157,771	14,925,149	0	0	0	0	0	0
SYRIAN ARAB REPUBLIC	0.0695	90,010	891,406	6,520	616,815	42,871	0	0	0	47,139	891,406	6,520	616,815	140,891	194,550
TAJIKISTAN	0.0278	62,201	1,114,258	2,608	246,726	0	0	0	0	62,201	1,114,258	2,608	246,726	127,569	192,378
THAILAND	0.1807	0	0	16,953	1,603,719	0	0	16,953	1,603,719	0	0	0	0	0	0
THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA	0.0100	24,871	445,702	938	88,750	20,629	44,506	0	0	4,242	401,196	938	88,750	45,925	51,105
TOGO	0.0100	12,489	222,852	938	88,750	225	0	0	0	12,264	222,852	938	88,750	29,162	42,364
TONGA	0.0100	1,773	167,674	938	88,750	1,773	167,674	701	66,266	0	0	237	22,484	2,082	2,319
TRINIDAD AND TOBAGO	0.0452	103,677	1,114,258	4,240	401,152	102,132	968,079	0	0	1,545	146,179	4,240	401,152	50,883	56,668
TUNISIA	0.0417	3,534	334,277	3,912	370,089	3,523	333,227	0	0	11	1,050	3,912	370,089	34,367	38,290
TURKEY	0.5212	0	0	48,897	4,625,669	0	0	38,000	3,594,842	0	0	10,897	1,030,827	95,447	106,344
TURKMENISTAN	0.0452	0	0	4,240	401,152	0	0	0	0	0	0	4,240	401,152	37,144	41,384
UGANDA	0.0100	2,479	222,852	938	88,750	133	922	0	0	2,346	221,930	938	88,750	29,076	32,360
UKRAINE	1.5844	416,584	39,408,823	148,642	14,061,608	6,640	628,131	0	0	409,944	38,780,692	148,642	14,061,608	4,946,803	5,505,389
UNITED ARAB EMIRATES	0.2641	199,601	4,902,732	24,777	2,343,897	196,201	4,581,099	0	0	3,400	321,633	24,777	2,343,897	247,257	275,434
UNITED KINGDOM	7.3872	0	0	693,039	65,561,668	0	0	693,039	65,561,668	0	0	0	0	0	0
UNITED REPUBLIC OF TANZANIA	0.0100	15,071	222,852	938	88,750	225	0	0	0	14,846	222,852	938	88,750	29,162	44,946
URUGUAY	0.0556	8,522	806,273	5,216	493,452	0	0	0	0	8,522	806,273	5,216	493,452	121,467	135,205
UZBEKISTAN	0.1911	0	0	17,928	1,696,019	0	0	0	0	0	0	17,928	1,696,019	157,039	174,967
VANUATU	0.0100	17,716	222,852	938	88,750	225	0	0	0	17,491	222,852	938	88,750	29,162	47,591
VENEZUELA	0.4691	957,870	11,365,426	44,009	4,163,280	14,236	0	0	0	943,634	11,365,426	44,009	4,163,280	1,453,669	2,441,312
VIET NAM	0.0100	1,249	118,165	938	88,750	1,249	118,165	938	88,750	0	0	0	0	0	0
YEMEN	0.0100	64,584	222,852	938	88,750	225	0	0	0	64,359	222,852	938	88,750	29,162	94,459

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	Credits and Collections in 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	Contributions Outstanding as of 31 December 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	TOTAL $ Equiv.	TOTAL $ Equiv.
YUGOSLAVIA	0.1424	1,093,224	3,342,772	13,359	1,263,805	3,888	0	0	0	1,089,336	3,342,772	13,359	1,263,805	431,189	1,533,884
ZAIRE	0.0100	41,054	222,852	938	88,750	225	0	0	0	40,829	222,852	938	88,750	29,162	70,929
ZAMBIA	0.0100	5,747	222,852	938	88,750	3,652	24,714	0	0	2,095	198,138	938	88,750	26,840	29,873
ZIMBABWE	0.0100	1,507	142,555	938	88,750	1,383	130,842	0	0	124	11,713	938	88,750	9,319	10,381
Sub-total 1 Member States															
	86-87	73,422	0	0	0	8,921	0	0	0	64,501	0	0	0	0	64,501
	88-89	240,381	0	0	0	29,162	0	0	0	211,219	0	0	0	0	211,219
	90-91	1,369,203	0	0	0	30,101	0	0	0	1,339,102	0	0	0	0	1,339,102
	92-93	5,186,192	0	0	0	1,464,332	0	0	0	3,721,860	0	0	0	0	3,721,860
	94-95	3,236,408	306,162,880	0	0	1,200,716	113,587,541	0	0	2,035,692	192,575,339	0	0	18,099,164	20,134,856
	96	0	0	9,381,608	887,503,603	0	0	7,457,114	705,444,605	0	0	1,924,494	182,058,998	16,857,342	18,781,836
	T	10,105,606	306,162,880	9,381,608	887,503,603	2,733,232	113,587,541	7,457,114	705,444,605	7,372,374	192,575,339	1,924,494	182,058,998	34,956,506	44,253,374
UNITED STATES OF AMERICA	0.0000	3,832,469	362,552,181	2,944,650	278,564,374	215,105	20,348,951	0	0	3,617,364	342,203,230	2,944,650	278,564,374	57,954,955	64,516,969
Sub-total 2															
	94-95	3,832,469	362,552,181	0	0	215,105	20,348,951	0	0	3,617,364	342,203,230	0	0	32,161,957	35,779,321
	96	0	0	2,944,650	278,564,374	0	0	0	0	0	0	2,944,650	278,564,374	25,792,998	28,737,648
	T	3,832,469	362,552,181	2,944,650	278,564,374	215,105	20,348,951	0	0	3,617,364	342,203,230	2,944,650	278,564,374	57,954,955	64,516,969

Schedule 2.1

Member State	Scale of assessment (percentage)	Contributions Payable 1 January 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	Credits and Collections in 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	Contributions Outstanding as of 31 December 1996 — Prior Bienniums Dollar	Prior Bienniums Schilling	Current Biennium Dollar	Current Biennium Schilling	$ Equiv.	TOTAL $ Equiv.
CAMBODIA	0.0100	1,178	111,426	0	0	424	40,090	0	0	754	71,336	0	0	6,705	7,459
CHAD	0.0100	8,752	0	0	0	0	0	0	0	8,752	0	0	0	0	8,752
COMOROS	0.0100	11,580	0	0	0	0	0	0	0	11,580	0	0	0	0	11,580
DJIBOUTI	0.0100	8,742	0	0	0	225	0	0	0	8,517	0	0	0	0	8,517
EL SALVADOR	0.0100	15,360	0	0	0	0	0	0	0	15,360	0	0	0	0	15,360
EQUATORIAL GUINEA	0.0100	11,580	0	0	0	0	0	0	0	11,580	0	0	0	0	11,580
GAMBIA	0.0100	11,580	0	0	0	9,533	0	0	0	2,047	0	0	0	0	2,047
LIBERIA	0.0100	17,504	0	0	0	225	0	0	0	17,279	0	0	0	0	17,279
SAO TOME AND PRINCIPE	0.0100	11,580	0	0	0	0	0	0	0	11,580	0	0	0	0	11,580
TURKMENISTAN	0.0452	4,711	445,703	0	0	0	0	0	0	4,711	445,703	0	0	41,889	46,600
UZBEKISTAN	0.1911	60,557	5,728,804	0	0	16,724	1,582,163	0	0	43,833	4,146,641	0	0	389,722	433,555
Sub-total 3 New Member States	86-87	46,320	0	0	0	9,533	0	0	0	36,787	0	0	0	0	36,787
	88-89	15,360	0	0	0	0	0	0	0	15,360	0	0	0	0	15,360
	90-91	34,998	0	0	0	450	0	0	0	34,548	0	0	0	0	34,548
	92-93	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	94-95	66,446	6,285,933	0	0	17,148	1,622,253	0	0	49,298	4,663,680	0	0	438,316	487,614
	T	163,124	6,285,933	0	0	27,131	1,622,253	0	0	135,993	4,663,680	0	0	438,316	574,309
TOTAL	86-87	119,742	0	0	0	18,454	0	0	0	101.288	0	0	0	0	101,288
	88-89	255,741	0	0	0	29,162	0	0	0	226,579	0	0	0	0	226,579
	90-91	1,404,201	0	0	0	30,551	0	0	0	1,373.650	0	0	0	0	1,373,650
	92-93	5,186,192	0	0	0	1,464,332	0	0	0	3,721,860	0	0	0	0	3,721,860
	94-95	7,135,323	675,000,994			1,432,969	135,558,745	0	0	5,702,354	539,442,249	0	0	50,699,437	56,401,791
	96	0	0	12,326,258	1,166,067,977	0	0	7,457,114	705,444,605	0	0	4,869,144	460,623,372	42,650,340	47,519,484
	T	14,101,199	675,000,994	12,326,258	1,166,067,977	2,975,468	135,558,745	7,457,114	705,444,605	11,125,731	539,442,249	4,869,144	460,623,372	93,349,777	109,344,652

Note :
In accordance with General Conference resolution GC/S 1/Res.1, the Federal Republic of Yugoslavia (Serbia and Montenegro) cannot continue automatically the membership of the former Socialist Federal Republic of Yugoslavia in UNIDO. Subject to any amendment to the United Nations scale of assessments approved by the United Nations General Assembly, this rate will apply to the Federal Republic of Yugoslavia (Serbia and Montenegro) should it apply for membership in UNIDO and be accepted

UNIDF/IDF statement of pledges and receipts, as at 31 December 1996

(in US dollars)

Country / organization	Unpaid balances/ advances by donors brought forward from UNIDF 1.1.86	Adjust-ments to prior pledges	IDF firm pledges for 1986-1994	1995	1996	1997 and future years	Collections* in 1986-1995	1996	Exchange adjust-ments	Unpaid balance	Advances by donors
					General-purpose convertible						
Afghanistan	1,500	0	3,000	0	0	0	4,500	0	0	0	0
Algeria	0	0	25,000	0	0	0	25,000	0	0	0	0
Angola	10,000	0	20,000	0	0	0	30,000	0	0	0	0
Argentina	0	150,000	0	0	0	0	149,990	0	10	0	0
Austria	0	0	1,133,675	206,186	198,020	188,679	1,376,075	198,020	(32,720)	185,185	0
Bahrain	5,000	0	0	0	0	0	5,000	0	0	0	0
Bangladesh	0	0	22,568	2,445	2,420	2,420	20,115	2,445	34	7,259	0
Barbados	0	0	20,000	0	0	0	20,000	0	0	0	0
Bhutan	1,320	0	1,450	0	0	0	2,770	0	0	0	0
Bolivia	2,000	0	17,313	0	0	0	14,313	0	0	5,000	0
Brazil	15,000	0	15,000	0	0	0	30,000	0	0	0	0
Burkina Faso	0	0	13,594	0	0	0	13,594	0	0	0	0
Cameroon	0	0	2,985	0	0	0	0	0	1,043	1,942	0
Chile	0	0	40,000	0	0	0	30,000	0	0	10,000	0
Colombia	1,425	40	40,160	0	0	0	41,416	0	0	209	0
Congo	11,426	0	0	0	0	0	3,400	0	76	7,950	0
Costa Rica	8,080	0	20,000	0	0	0	27,635	0	0	445	0
Cyprus	0	0	4,187	0	0	0	4,496	0	(309)	0	0
Czechoslovakia**	0	0	65,501	0	0	0	65,501	0	0	0	0
Czech Republic	0	0	50,000	25,000	0	0	75,000	0	0	0	0
Democratic Rep.of Korea	0	0	65,577	0	0	0	64,966	0	611	0	0
Dominica	0	0	3,852	0	0	0	3,840	0	12	0	0
Ecuador	5,440	0	56,235	0	0	0	49,835	0	0	11,840	0
Egypt	0	0	2,000	0	0	0	2,000	0	0	0	0
Ethiopia	0	0	2,124	0	0	0	1,111	0	0	1,013	0
Fiji	0	0	1,009	0	0	0	0	0	218	791	0
Germany	0	0	18,736	0	0	0	18,736	0	0	0	0
Ghana	0	0	5,000	0	0	0	0	0	0	5,000	0
Greece	36,000	0	0	0	0	0	36,000	0	0	0	0
Grenada	0	0	5,000	0	0	0	0	0	0	5,000	0
Guatemala	0	0	32,422	0	0	0	5,000	0	7,243	20,179	0
Guinea	0	(108,600)	0	0	0	0	(108,600)	0	0	0	0
Guyana	723	509	7,208	0	0	0	4,000	0	660	3,780	0
Haiti	0	0	5,000	0	0	0	5,000	0	0	0	0
Honduras	0	0	15,000	597	0	0	14,371	597	629	0	0
Hungary	0	0	154,249	19,273	0	0	124,155	26,933	22,434	0	0
India	500,000	0	2,250,000	250,000	250,000	0	3,000,000	250,000	0	0	0
Indonesia	0	0	70,000	10,000	10,000	0	80,000	10,000	0	0	0
Iraq	161,291	0	0	0	0	0	0	0	0	161,291	0
Italy	0	0	1,200,000	300,000	300,000	0	1,500,000	300,000	0	0	0
Jamaica	4,000	0	8,000	0	0	0	12,000	0	0	0	0
Kenya	10,000	0	32,994	0	0	0	10,348	0	22,161	10,485	0
Kuwait	0	0	150,000	0	0	0	0	0	0	150,000	0
Lao People's Democratic Republic	1,500	0	1,500	0	0	0	1,500	0	0	1,500	0
Lesotho	0	1,308	6,211	0	0	0	7,360	0	159	0	0

* Negative amounts denote repayments to donors
** Prior to 1993

Country / organization	Unpaid balances/ advances by donors brought forward from UNIDF 1.1.86	Adjustments to prior pledges	IDF firm pledges for 1986-1994	1995	1996	1997 and future years	Collections* in 1986-1995	1996	Exchange adjustments	Unpaid balance	Advances by donors
			General-purpose convertible (continued)								
Luxembourg	0	0	75,665	0	0	0	77,914	0	(2,249)	0	0
Madagascar	0	0	6,431	0	0	0	4,989	0	1,442	0	0
Malawi	0	0	7,166	0	0	0	5,097	0	1,793	276	0
Malaysia	450	0	180,000	20,000	20,000	20,000	200,450	20,000	0	20,000	0
Mali	2,611	0	0	0	0	0	0	0	669	1,942	0
Malta	0	0	800	0	0	0	400	0	0	400	0
Mauritius	0	0	15,458	4,500	3,935	0	19,286	4,500	107	0	0
Mexico	0	4,503	15,000	0	0	0	19,503	0	0	0	0
Mongolia	0	0	13,364	109	0	0	12,274	0	1,199	0	0
Morocco	5,038	5,010	5,000	0	0	0	13,421	0	1,627	0	0
Mozambique	4,925	0	5,063	0	0	0	5,563	0	4,425	0	0
Myanmar	0	0	6,040	0	0	0	5,998	0	42	0	0
Namibia	0	0	0	0	22,277	0	0	22,277		0	0
Nepal	0	0	4,900	0	0	0	4,900	0	0	0	0
Netherlands	0	0	657,895	0	0	0	673,975	0	(16,080)	0	0
Nicaragua	0	0	2,350	0	0	0	2,350	0	0	0	0
Nigeria	50,000	0	0	0	0	0	0	0	0	50,000	0
Oman	12,000	0	12,000	0	0	0	12,000	0	0	12,000	0
Pakistan	0	0	48,933	0	0	0	48,933	0	0	0	0
Panama	0	0	6,000	0	0	0	2,000	0	0	4,000	0
Papua New Guinea	0	0	12,871	0	0	0	14,773	0	(1,902)	0	0
Paraguay	30,000	0	0	0	0	0	24,000	0	0	6,000	0
Peru	25,000	0	0	0	0	0	5,000	0	0	20,000	0
Philippines	6,006	0	35,265	10,000	10,000	0	51,271	10,000	0	0	0
Portugal	0	0	30,000	0	0	0	30,000	0	0	0	0
Republic of Korea	0	0	226,000	0	0	0	226,000	0	0	0	0
Romania	0	0	7,528	0	0	0	6,870	0	658	0	0
Rwanda	0	0	20,000	0	0	0	20,000	0	0	0	0
Saint Vincent and the Grenadines	0	0	1,500	0	0	0	1,500	0	0	0	0
Saudi Arabia	0	0	3,000,000	0	0	0	3,000,000	0	0	0	0
Senegal	29,113	0	4,000	0	0	0	33,113	0	0	0	0
Sierra Leone	21	3,184	5,891	0	0	0	9,167	0	2	0	0
Somalia	2,467	0	0	0	0	0	0	0	67	2,400	0
Spain	0	0	0	0	19,602	0	0	19,602	0	0	0
Sri Lanka	0	0	29,331	3,333	0	0	32,628	0	36	0	0
Sudan	102,712	0	0	0	0	0	35,180	0	0	67,532	0
Suriname	2,000	0	0	0	0	0	0	0	0	2,000	0
Swaziland	1,532	1,802	8,591	0	0	0	10,931	0	120	874	0
Syrian Arab Republic	0	5,372	14,974	1,617	1,617	0	21,963	1,617	0	0	0
Thailand	0	0	197,668	23,500	23,500	0	221,236	23,500	(68)	0	0
Togo	3,916	0	6,514	0	0	0	9,346	0	114	970	0
Trinidad and Tobago	0	8,375	50,329	0	0	0	60,379	0	(1,675)	0	0
Tunisia	0	0	113,961	0	0	0	111,274	0	2,687	0	0
Uganda	1,000	1,000	9,000	0	0	0	2,000	0	0	9,000	0
United Republic of Tanzania	0	0	4,437	0	0	0	3,516	0	900	21	0
Venezuela	0	0	11,467	0	0	0	11,467	0	0	0	0
Viet Nam	1,000	0	0	0	0	0	1,000	0	0	0	0
Yemen	0	0	14,400	0	2,000	2,000	4,007	0	(7)	14,400	0
Zaire	3,000	0	113,000	0	0	0	0	0	0	116,000	0
Zambia	517	0	24,735	0	0	0	21,745	0	3,507	0	0
Zimbabwe	0	8,075	57,639	0	0	0	60,419	0	3,354	1,941	0

* Negative amounts denote repayments to donors

Country / organization	Unpaid balances/ advances by donors brought forward from UNIDF 1.1.86	Adjustments to prior pledges	IDF firm pledges for 1986-1994	1995	1996	1997 and future years	Collections* in 1986-1995	1996	Exchange adjustments	Unpaid balance	Advances by donors
					General-purpose convertible (continued)						
Organizations											
King Abdulaziz City for Science and Technology, Saudi Arabia	0	0	32,760	0	0	0	29,868	0	0	2,892	0
S.G.des Eaux Minerales de Vittel, France	0	0	3,108	0	0	0	3,108	0	0	0	0
Computech Engineering Services Inc., USA	0	0	30,000	0	0	0	30,000	0	0	0	0
Cooperation Council for the Arab States of the Gulf (GCC)	0	0	11,587	0	0	0	0	0	0	11,587	0
Cordecruz, Bolivia	0	0	22,017	0	0	0	22,017	0	0	0	0
Total	1,058,086	80,578	10,747,188	876,560	863,371	213,099	11,993,258	889,491	23,029	933,104	0
					Special-purpose convertible						
Australia	(68,615)	0	285,739	(4,012)	27,120	0	206,590	0	0	33,442	0
Austria	(121,788)	0	9,773,323	2,367,916	2,925,788	6,274,525	15,441,156	2,440,068	0	3,336,520	0
Bahrain	0	0	0	0	282,223	530,776	300,000	0	0	512,999	0
Belgium	(480,520)	0	5,818,948	499,337	1,415,168	829,133	6,825,452	759,494	0	497,120	0
Brazil	0	0	226,099	0	0	0	256,000	0	0	0	(29,901)
Bulgaria	0	0	3,333	0	0	0	3,333	0	0	0	0
China	(289,639)	0	2,548,942	285,942	274,687	(580)	3,128,571	200,000	0	0	(509,219)
Costa Rica	0	0	103,301	66,037	79,381	0	115,101	49,261	0	84,337	0
Côte d'Ivoire	108,765	0	0	0	0	0	0	0	0	108,765	0
Czech Republic	0	0	0	0	253,407	136,000	84,366	200,259	0	104,782	0
Democratic People's Rep. of Korea	0	0	0	80,128	204,733	25,137	229,924	0	0	80,074	0
Denmark	0	0	4,864,973	975,073	436,102	967,423	7,207,316	0	0	36,255	0
Egypt	(190,693)	0	292,611	0	0	0	0	0	0	101,718	0
Finland	(259,601)	0	2,944,870	286,857	75,026	24,991	3,107,347	50,000	0	0	(85,404)
France (Ministere d'Agriculture)	0	0	4,714,978	423,554	475,463	0	5,834,441	0	0	0	(220,446)
France (Ministere des Affaires Etrangeres)	(817,302)	0	20,233,903	2,361,452	2,325,921	124,435	19,707,517	1,620,011	0	2,900,881	0
Germany	(1,807,641)	0	40,187,078	3,517,272	5,945,650	8,446,496	45,047,467	3,873,976	0	7,367,212	0
Greece	0	0	541,147	294,762	561,663	536,950	925,833	474,715	0	533,974	0
Hungary	5,597	0	(617)	0	0	0	4,980	0	0	0	0
India	79,685	0	2,006,562	621,809	1,097,558	569,158	3,100,000	550,000	0	724,772	0
Iran, Islamic Republic of	0	0	375,333	0	0	0	373,268	0	0	2,065	0
Italy	(597,640)	0	50,541,756	3,275,715	5,714,487	4,576,055	53,810,702	5,889,439	0	3,810,232	0
Japan	(662,483)	0	20,494,944	4,391,377	5,121,721	2,614,141	27,670,443	4,188,122	0	101,135	0
Malta	31,628	0	(31,628)	0	0	0	0	0	0	0	0
Netherlands	(292,528)	0	3,236,970	899,697	1,876,288	3,048,115	5,797,056	1,028,666	0	1,942,820	0
New Zealand	0	0	0	30,045	54,955	0	85,000	0	0	0	0
Norway	(282)	0	1,689,898	311,549	430,474	83,357	2,361,997	405,658	0	0	(252,659)
Poland	0	0	157,990	117,022	127,880	131,784	266,486	138,235	0	129,955	0
Portugal (Institute for Portuguese Coop.)	0	0	0	0	155,965	323,295	173,866	0	0	305,394	0
Portugal (multilateral cooperation)	0	0	0	0	0	0	123,850	0		0	(123,850)
Republic of Korea	0	0	1,835,886	19,381	40,907	49,760	2,080,994	200,000	0	0	(335,060)
Romania	0	0	0	0	0	0	2,381	0	0	0	(2,381)
Saudi Arabia	0	0	1,107,679	379,590	209,269	9,139	2,528,413	0	0	0	(822,736)
Slovakia	0	0	0	0	0	0	9,710	24,789	0	0	(34,499)
Spain	(38,245)	0	66,446	0	0	0	28,201	0	0	0	0
Sweden	72,067	0	1,356,777	0	57,323	0	1,218,394	0	0	267,773	0
Switzerland	(1,608,536)	0	14,815,336	2,803,716	3,748,952	2,689,847	18,367,864	2,627,960	0	1,453,491	0
Turkey	0	0	0	160,119	318,944	0	304,487	39,974	0	154,602	0
United Kingdom	(150,310)	0	6,928,576	0	45,200	0	6,786,160	(104,667)	0	141,973	0
Venezuela	0	0	217,984	0	0	0	193,714	0	0	24,270	0
Yemen	(2,474)	0	1,249	0	0	0	(1,225)	0	0	0	0
Yugoslavia	(1,041)	0	0	0	0	0	(1,041)	0	0	0	0
Multi-donor projects	0	0	(79,381)	(2,222)	91,723	0	0	0	0	10,120	0

* Negative amounts denote repayments to donors

Country / organization	Unpaid balances/ advances by donors brought forward from UNIDF 1.1.86	Adjust-ments to prior pledges	IDF firm pledges for 1986-1994	1995	1996	1997 and future years	Collections* in 1986-1995	1996	Exchange adjust-ments	Unpaid balance	Advances by donors
Organizations					Special-purpose convertible (continued)						
Arab Industrial Development and Mining Organization	(19,677)	0	86,767	212	18	0	67,030	0	0	90	0
African Institute for Higher Technology Training and Research, Kenya	1,253	0	(5,564)	0	0	0	(4,311)	0	0	0	0
Agence de Cooperation Cult.et Techn.(ACCT), Paris		0	163,150	78,295	83,208	29,239	354,900	0	0	0	(1,008)
Agence Wallonne a l'Exportation, Brussels		0	88,469	143,364	168,019	111,644	336,515	154,523	0	20,458	0
Banque Ouest Africaine de developpement (BOAD), Togo	0	0	2,800	0	0	0	2,800	0	0	0	0
Caritas, Vienna	0	0	27,855	0	0	0	27,855	0	0	0	0
Chiyoda Corporation	0	0	99,598	0	0	0	99,598	0	0	0	0
Convention to Combat Desertification(INCD)	0	0	39,094	0	0	0	39,000	99	0	0	(5)
Corporacion Andina de Fomento (CAF)	0	0	597,477	0	0	0	627,918	0	0	0	(30,441)
Egyptian Iron and Steel Co.	(10,576)	0	5,863	0	0	0	(4,713)	0	0	0	0
Gaz de France, Paris	0	0	17,967	0	0	0	17,967	0	0	0	0
Instituto Tecnologico y de Estudios Superiores de Monterrey		0	30,837	16,359	2,804	0	50,000	0	0	0	0
Inverni della Beffa, Italy	0	0	27,950	0	0	0	34,694	(6,723)	0	0	(21)
Kuwait Institute for Higher Technical Training and Research	(48,229)	0	74,665	0	0	0	0	0	0	26,436	0
Montreal Protocol Fund			3,447,375	18,685,684	40,084,790	40,482,949	75,936,329	23,000,000	0	3,764,469	0
S.G.des Eaux Minerales de Vittel, France	0	0	23,351	0	0	0	29,987	0	0	0	(6,636)
Nobel Chematur, Sweden	0	0	9,040	0	0	0	9,040	0	0	0	0
Apple Computer, USA	0	0	27,531	0	0	0	27,531	0	0	0	0
Saudi Consulting House, Saudi Arabia	0	0	11,412	0	0	0	11,412	0	0	0	0
UNDCP	0	0	3,171,671	1,646,440	(130,143)	0	4,680,000	65,700	0	0	(57,732)
Total	(7,169,625)	0	205,208,313	44,752,470	74,562,674	72,613,769	316,049,666	47,869,599	0	28,580,134	(2,511,998)
					Non-convertible						
Bulgaria	(222,203)	0	408,603	0	0	0	455,892	0	0	0	(269,492)
China	(54,661)	0	498,299	10,650	60,607	(74)	773,818	42,271	0	0	(301,268)
Cuba	(219,664)	0	235,460	0	0	0	250,185	21,000	0	0	(255,589)
Czech Republic	(78)	0	2,826,553	381,680	402,930	402,930	3,320,439	312,378	0	381,198	0
Egypt	21,793	0	34,894	0	0	0	72,492	0	0	0	(15,805)
Hungary	(1,360)	0	1,078,301	143,987	48,465	0	1,449,399	281,867	0	0	(461,873)
India	(399,558)	0	3,005,431	293,336	338,927	119,464	4,755,786	257,859	0	0	(1,656,045)
Islamic Rep. of Iran	0	0	56,667	0	0	0	66,667	0	0	0	(10,000)
Mongolia	(15,925)	0	0	0	0	0	(128)	0	0	0	(15,797)
Pakistan	(98,688)	0	98,520	0	0	0	76,046	0	0	0	(76,414)
Poland	(26,495)	0	1,721,650	232,151	293,653	305,000	2,281,711	265,472	0	0	(21,224)
Romania	(2,471)	0	144,495	0	0	0	195,895	0	0	0	(53,871)
Russian Federation	(402,605)	0	4,773,429	0	0	0	5,342,774	0	0	0	(971,950)
Slovakia	0	0	0	0	188,571	0	190,482	76,538	0	0	(78,449)
Turkey	(2,258)	0	1,507,845	153,157	121,319	0	2,173,607	105,857	0	0	(499,401)
Yugoslavia	(57,228)	0	273,780	0	0	0	703,819	0	0	0	(487,267)
Organizations											
Egyptian Iron and Steel Co.	(26,747)	0	(5,195)	0	0	0	0	0	0	0	(31,942)
Technology Information, Forecasting and Assessment Council, New Delhi	0	0	3,205	0	0	0	3,205	0	0	0	0
Total non-convertible	(1,508,548)	0	16,661,937	1,214,961	1,454,472	827,320	22,112,089	1,363,242	0	381,198	(5,206,387)
Grand total - IDF	(7,620,287)	80,578	232,617,438	46,843,991	76,900,517	73,654,188	350,155,013	50,122,332	23,029	29,894,436	(7,718,385)

* Negative amounts denote repayments to donors

Statement III

GENERAL FUND and WORKING CAPITAL FUND

Statement of cash flow for the biennium 1996-1997 as at 31 December 1996

(In thousands of United States dollars)

				Total
Cash flows from operating activities				
Net excess (shortfall) of income over expenditure (Statement I)			25,751.3	
(Increase) decrease in contributions receivable			(27,647.1)	
(Increase) decrease other accounts receivable			(14.0)	
Increase (decrease) in contributions or payments received in advance			(154.8)	
Increase (decrease) in unliquidated obligations			(13,061.5)	
Increase (decrease) in accounts payable			1,979.2	
Increase (decrease) in other liabilities			14,368.8	
Less:	Interest income	659.6		
	Currency exchange adjustments	(757.2)	(97.6)	
Net cash from operating activities				1,319.5
Cash flows from investing and financing activities				
Increase (decrease) in interfund balances			(1,291.2)	
Increase (decrease) in borrowings			(1,000.0)	
Plus:	Interest income	659.6		
	Currency exchange adjusments	(757.2)	(97.6)	
Net cash from investing and financing activities				(2,388.8)
Cash flows from other sources				
Savings on or cancellation of prior period's obligations			3,879.3	
Transfers to (from) reserves			(6,932.4)	
Transfers (to) from other funds				
Increase (decrease) of credits to Member States			(6,068.8)	
Net cash from other sources				(9,121.9)
				(10,191.2)
Net increase (decrease) in cash				
Cash at beginning of period				13,915.9
Cash at end of period (Statement II)				3,724.7

Statement IV

GENERAL FUND

Status of appropriations by major programme for the biennium 1996-1997 as at 31 December 1996 (note 2(a)(i))

(In thousands of United States dollars)

Major Programme	Original appropriation	Transfers/ other adjustments	Revised appropriation	Disbursements during 1996	Unliquidated obligations as at 31/12/96	Total expenditure	Balance of appropriations
Policy-making Organs	3,673.9	786.6	4,460.5	1,741.7	820.1	2,561.8	1,898.7
General Management	5,937.0	3,134.7	9,071.7	7,196.1	537.1	7,733.2	1,338.5
Country Programmes and Funds Mobilization	12,838.9	191.8	13,030.7	9,618.5	746.4	10,364.9	2,665.8
Research and Publications	7,898.2	(382.2)	7,516.0	5,524.9	273.4	5,798.3	1,717.7
Human Resource, Enterprise and Private Sector Development	6,026.2	1,657.8	7,684.0	5,726.8	51.0	5,777.8	1,906.2
Industrial Sectors and Environment	9,684.3	1,933.6	11,617.9	8,330.7	237.4	8,568.1	3,049.8
Investment and Technology Promotion	6,632.9	3,247.8	9,880.7	8,338.0	291.4	8,629.4	1,251.3
Common Programmes	9,034.9	1,416.7	10,451.6	3,997.7	1,503.5	5,501.2	4,950.4
Joint and Common Services	24,991.9	5,347.7	30,339.6	20,279 5	2,631.4	22,910.9	7,428.7
Administration	18,405.2	3,885.2	22,290.4	18,288.3	1,357.3	19,645.6	2,644.8
Total A	105,123.4	21,219.7	126,343.1	89,042.2	8,449.0	97,491.2	28,851.9
Income	**Approved estimates**			**Actual income**	**Accrued income**	**Total income**	**(Excess) shortfall**
Joint and Common Services	13,493.3	2,933.7	16,427.0	11,732.5	1,232.1	12,964.6	3,462.4
Administration	377.6	82.7	460.3	591.9		591.9	(131.6)
Miscellaneous Income							
(i) Estimated in GC.6/Dec.11	802.7	103.1	905.8	727.5		727.5	178.3
(ii) Not estimated in GC.6/Dec.11				49.7		49.7	(49.7)
Total B	14,673.6	3,119.5	17,793.1	13,101.6	1,232.1	14,333.7	3,459.4
Total A-B	90,449.8	18,100.2	108,550.0	75,940.6	7,216.9	83,157.5	25,392.5

Schedule 4.1

GENERAL FUND

Status of appropriations by major object of expenditure for the biennium 1996-1997 as at 31 December 1996 (note 2(a)(i))

(In thousands of United States dollars)

Major object of expenditure	Original appro-priation	Transfers/ other adjustments	Revised appropriation	Disbursements during 1996	Unliquidated obligations as at 31/12/96	Total expenditure	Balance of appropriations
Salaries and common staff costs	67,927.7	13,590.5	81,518.2	64,830.4	1,887.4	66,717.8	14,800.4
Travel on official business	1,880.4	275.7	2,156.1	882.3	283.9	1,166.2	989.9
Contractual services	366.6	58.4	425.0	316.8	41.8	358.6	66.4
General operating expenses	13,602.4	2,977.3	16,579.7	11,050.2	2,346.5	13,396.7	3,183.0
Supplies and materials	429.8	88.0	517.8	150.7	117.4	268.1	249.7
Acquisition of furniture and equipment	657.1	136.9	794.0	131.8	105.9	237.7	556.3
Technical cooperation	5,428.7	1,074.1	6,502.8	2,193.7	1,092.9	3,286.6	3,216.2
EDP non-staff costs	2,783.9	591.9	3,375.8	2,163.2	285.6	2,448.8	927.0
Other expenditures	12,046.8	2,426.9	14,473.7	7,323.1	2,287.6	9,610.7	4,863.0
Total A	105,123.4	21,219.7	126,343.1	89,042.2	8,449.0	97,491.2	28,851.9
	Approved estimates 1996			**Actual income**	**Accrued income**	**Total income**	**(Excess) shortfall**
Income							
Salaries and common staff costs	5,540.3	1,172.7	6,713.0	5,283.2	0.2	5,283.4	1,429.6
Travel on official business	3.2	0.5	3.7	0.4	0.4	0.8	2.9
General operating expenses	7,933.3	1,761.5	9,694.8	6,892.1	1,210.5	8,102.6	1,592.2
Supplies and materials	116.5	23.8	140.3	33.0	0.8	33.8	106.5
Acquisition of furniture and equipment	269.6	56.1	325.7	54.1	20.2	74.3	251.4
EDP non-staff costs	0.4		0.4	59.2		59.2	(58.8)
Other expenditure	7.6	1.8	9.4	2.4		2.4	7.0
Total B	13,870.9	3,016.4	16,887.3	12,324.4	1,232.1	13,556.5	3,330.8
Miscellaneous income							
(i) Estimated in GC.6/Dec.11	802.7	103.1	905.8	727.5		727.5	178.3
(ii) Not estimated in GC.6/Dec.11				49.7		49.7	(49.7)
Total C	802.7	103.1	905.8	777.2		777.2	128.6
Total A-B-C	90,449.8	18,100.2	108,550.0	75,940.6	7,216.9	83,157.5	25,392.5

II. NOTES TO THE FINANCIAL STATEMENTS

Preface

UNIDO MISSION STATEMENT

UNIDO is the specialist agency of the United Nations dedicated to promoting sustainable industrial development in countries with developing and transition economies.

UNIDO harnesses the joint forces of government and the private sector to foster competitive industrial production, develop international industrial partnerships and promote socially equitable and environmentally friendly industrial development.

UNIDO is the only worldwide organization dealing with industry from a development perspective. Its services are non-profit, neutral and specialized. Its staff are highly qualified with the widest range and depth of required industrial expertise. UNIDO acts as a catalyst to help generate national economic wealth and raise industrial capacity through its roles as a worldwide forum for industrial development and as a provider of technical cooperation services.

UNIDO's ultimate goal is to create a better life for people by laying the industrial foundations for long-term prosperity and economic strength.

Note 1. Summary of significant accounting policies

The following are the significant accounting policies of UNIDO:

(a) UNIDO's accounts are maintained in accordance with the Financial Regulations of UNIDO as adopted by the General Conference, the rules formulated thereunder, administrative instructions in force as at the date of conversion of UNIDO into a specialized agency, and in conformity with generally accepted government accounting principles. UNIDO follows the accounting standards as approved by the Consultative Committee on Administrative Questions on behalf of the Administrative Committee on Coordination at its eighty-third session and requested by General Assembly resolution 48/216, and the financial statements, of which these notes form an integral part, are presented in accordance with those standards, as shown below:

(i) Going concern, consistency and accrual are fundamental accounting assumptions. Where fundamental accounting assumptions are followed in financial statements, disclosure of such assumptions is not required. If a fundamental accounting assumption is not followed, that fact should be disclosed together with the reasons.

(ii) Prudence, substance over form, and materiality should govern the selection and application of accounting policies.

(iii) Financial statements should include clear and concise disclosure of all significant accounting policies which have been used.

(iv) The disclosure of the significant accounting policies used should be an integral part of the financial statements. The policies should normally be disclosed in one place.

(v) Financial statements should show corresponding figures for the preceding period. However, for the first financial period in which the revised formats as approved by the Administrative Committee on Coordination are applied, the presentation of corresponding figures for the preceding period is not obligatory.

(vi) A change in an accounting policy that has a material effect in the current period or may have a material effect in subsequent periods should be disclosed together with the reasons. The effect of the change should, if material, be disclosed and quantified.

(b) The UNIDO financial statements are prepared on the historical cost basis of accounting and have not been adjusted to reflect the effects of changing prices for goods and services.

(c) Fund accounting. The UNIDO accounts are maintained on a "fund accounting" basis. Separate funds for general or special purposes may be established by the General Conference or the Director-General. Each fund is maintained as a distinct financial and accounting entity, with a separate self-balancing double-entry group of accounts.

(d) The fiscal period of the Organization is a biennium and consists of two consecutive calendar years.

(e) The income, expenditure, assets and liabilities are recognized on the accrual basis of accounting except for trust funds where income is recorded upon receipt of the contribution only.

(f) Translation of currencies. The accounts of the Organization are presented in United States dollars. Transactions in other currencies are translated into United States dollars at the time of the transaction at rates of exchange established by the United Nations. In respect of such currencies, the financial statements, prepared at such intervals as may be prescribed, reflect the cash, investments, unpaid pledges and current accounts receivable and payable in currencies other than United States dollars, translated at the United Nations rates of exchange in effect as at the date of the statements.

(g) Assessed contributions. In accordance with financial regulation 5.6, payments made by a Member State are credited first to the Working Capital Fund and then to the contributions due, in the order in which the Member State was assessed.

(h) Pledged contributions. Pledges are recorded as income on the basis of a written commitment by a prospective donor to pay a monetary contribution at a specified time or times. Pledges received for future years are recorded as deferred income. Advances received in payment of pledges for future years are classified as liabilities of the fund.

(i) Contributions in kind received or receivable and the value thereof are not accounted for but disclosed in the notes to the financial statements.

(j) Funds on deposit in interest-bearing bank accounts, certificates of deposit, time deposits and call accounts are shown in the statements of assets and liabilities as cash.

(k) Deferred charges:

(i) Deferred charges comprise expenditure items that are not properly chargeable in the current fiscal period and that will be charged as expenditure in a subsequent fiscal period.

(ii) For balance-sheet statement purposes only, that portion of the education grant advance which is assumed to pertain to the scholastic year completed as at the date of the financial statement is shown under deferred charges. The full amount of the advance is maintained in the accounts receivable from staff members until such time as the staff member produces the required proof of entitlement to the education grant, at which time the budgetary account is charged and the advance recovered.

(l) Fixed assets. Furniture, equipment, other non-expendables and leasehold improvements are not included in the assets of the Organization. Acquisitions are charged against budgetary accounts in the year of purchase.

(m) Commitments approved for future fiscal periods that are necessary in the interests of UNIDO, in accordance with financial rule 109.6, are disclosed in the notes to the financial statements of the respective fund. Such commitments are normally restricted to administrative requirements of a continuing nature and to other contracts or legal obligations where long lead times are required for delivery.

(n) No provision is made in the General Fund for repatriation grant entitlements or to meet contingencies under appendix D to the Staff Rules of UNIDO as funds are provided for in the budget appropriations. However, provision is made to meet repatriation grant entitlements and contingency liabilities for compensation payments under appendix D for personnel financed by technical cooperation other than UNDP and general trust funds and are calculated on the basis of one per cent of net base pay.

(o) Surpluses due to Member States are funds available for credit to Member States arising from unobligated balances of appropriations, savings in the liquidation of obligations for prior periods and contributions from new Member States. In accordance with financial regulation 4.2 (b) as amended, the amount standing to the credit of Member States is reduced by the amount of contributions remaining unpaid. The balance of the surplus account is to be offset against future assessments in accordance with financial regulation 5.2 (d), unless the General Conference decides otherwise.

(p) Other income:

(i) The net income realized from revenue-producing activities is reported as other income.

(ii) Refunds of expenditures charged to prior fiscal periods are credited to miscellaneous income.

(iii) Moneys accepted in respect of which no purpose is specified have been treated as miscellaneous income.

(iv) Gain/loss on exchange arises from transactions in currencies other than United States dollars and revaluation of assets and liabilities held in local currencies. On the closing of the accounts at the end of each fiscal period, the balance of the exchange accounts is debited/credited to other income, which constitutes a formal departure from financial rule 110.7.

(v) Proceeds from the sale of surplus property are credited to the miscellaneous income of the respective funds.

(vi) Net income from sales of publications is reported as other income. Gross income and related costs are disclosed in the note to the General Fund.

(q) Technical cooperation accounts:

(i) The appropriations for technical cooperation programmes of the regular budget are administered in accordance with the Financial Regulations of UNIDO.

(ii) Allocation income - UNDP. The figures for allocation income from UNDP and UNDP trust funds are the same as reported for total expenditure in line with UNDP procedures, which require that allocations be adjusted to equal actual expenditure.

(iii) Contributions income - trust funds. Contributions from Governments or other donors are recorded upon receipt of the contribution.

(iv) Interest and miscellaneous income. Interest and miscellaneous income arising from the Regular Programme of Technical Cooperation are credited to the General Fund. Interest and miscellaneous income arising from UNDP activities are credited to the operating fund account maintained with that organization. Interest and miscellaneous income for technical cooperation trust funds and the Industrial Development Fund are credited to the fund concerned.

(v) The criteria for recording and reporting unliquidated obligations against the current biennium for the Regular Programme of Technical Cooperation are the same as those for the regular budget. For all other technical cooperation fund sources obligations may be reported as expenditure of the current year on the basis of the following criteria.

Personnel services

The cost of salaries and related expenses corresponding to services rendered within the calendar year. Personnel services, in this context, includes temporary assistance and overtime as well as consultants who have subscribed to Special Service Agreements. However, when the remuneration of the consultant is expressed as a lump sum rather than a sum per period worked, the full cost of the contract may be treated as an obligation of the current year.

Supplies and equipment

The full cost of contracts or purchase orders entered into prior to the end of the year, whether or not delivery has been effected, as long as there is budgetary provision in the current period.

Subcontracts

An obligation can be sustained on the basis of the payment schedule included in the signed contract with the contractor. Where no payment schedule exists, the basis is the estimated timing of payments.

Fellowships

The cost of the fellowship from the date of commencement of study to completion of study or 31 December, whichever is earlier. The fellow must have been placed, i.e. the fellowship awarded to a named individual and the place of study, the course of study and the duration of the study established and the recipient Government notified.

Travel

The full cost of travel, including the cost of transportation, subsistence allowances and other incidental expenses can be sustained if travel started prior to the end of the calendar year.

Group training

The cost of activities held in the current year. In the case of activities beginning in one year and continuing into the next, the full cost of the activity should be charged to the current year.

(vi) Unliquidated obligations for the current period in respect of all technical cooperation activities other than the regular budget remain valid for 12 months following the end of the year, rather than the biennium, to which they relate. However, in accordance with UNDP reporting requirements, executing agencies may retain unliquidated obligations beyond 12 months when a firm liability to pay still exists; such liabilities are reported as accounts payable in the financial statements. Savings in the liquidation of prior period obligations are credited to individual projects as a reduction of current period expenditure in accordance with UNDP reporting requirements. The UNDP requirements are also applied in the case of the Industrial Development Fund and trust funds.

(vii) Commitments are disclosed in the notes to the financial statements of the respective fund rather than being reported as a separate liability item as was previously the practice.

(viii) A system of average costing is used for UNDP projects whereby those elements of experts' actual costs which are unique to the individual expert are charged to UNDP projects at average cost, calculated by apportioning those costs over all UNDP projects in respect of which expert-months have been delivered in the current period.

(r) Trust funds. Director-General's bulletin UNIDO/DG/B.18/Rev.1 dated 15 May 1992 sets out revised policies for establishing and managing trust funds with effect from 26 May 1992. Extrabudgetary funds provided to reimburse the Organization for the use of its facilities are excluded from the provisions of UNIDO/DG/B.18/Rev.1.

(s) Special account for programme support costs:

(i) Reimbursement for programme support costs is provided for in respect of extrabudgetary technical cooperation activities. Reimbursement is calculated as a percentage of programme resources expended.

(ii) Under the UNDP successor arrangements for agency support costs, technical support on programme and project level are reimbursed at standard unit cost per work-month, whereas for administrative and operational services reimbursement is calculated at rates applicable to specific clusters of services.

(iii) In the financial statements of the Organization, the special account for programme support costs is shown separately from the inter-organization funds, from which its income derives.

(iv) Unliquidated obligations in respect of the special account for programme support costs are accounted for on the same basis as for the regular budget.

(t) *Ex gratia* payments made in accordance with financial rule 109.13 are reported in the notes to the financial statements of the respective fund pursuant to financial regulation 9.3.

Note 2. General Fund and Working Capital Fund

(a) **Assessed contributions**

(i) The General Conference approved an amount of $180,899,500 for the regular budget for 1996-1997 on the basis of an exchange rate of US$ 1 = AS 12.90 (GC.6/Dec.11) to be financed from contributions by Member States and the mandatory payment due from the United States of America. One half of the reduced net requirements of $156,360,712 has been assessed to Member States for 1996. One-half of the net requirements has been restated to $108,550,030 after applying the adjustment formula shown in decision GC.6/Dec.11 to take account of the average exchange rate actually experienced during 1996 (US$ 1 = AS 10.51). The

revised appropriations for 1996 are shown in statement IV of the financial statements. Half of the mandatory payment due from the United States of America is reported under other liabilities.

(ii) Due to the fact that Austrian schilling contributions were converted to United States dollars at the exchange rate in effect at the time of receipt, and to the fact that Austrian schilling contributions unpaid at 31 December 1996 were revalued at the rate in effect at that date (US$ 1 = AS 10.80), the value of the assessment increased by $358,843 to $108,908,873.

(b) **Revenue-producing activities**

Gross revenue from the sale of UNIDO publications in the amount of $98,509 was reduced to $67,810 by costs for sales promotion activities and other expenses.

(c) **Currency exchange adjustments**

As a result of fluctuations in the exchange rate between the Austrian schilling and the United States dollar, a net loss of $757,185 was realized on funds held in Austrian schillings.

(d) **Prior biennium adjustments**

Prior biennium adjustments of $3,789,977 represent a decrease in the value of Austrian schilling contributions, 1994-1995 of Member States and new Member States.

(i) **Transfer to separation indemnity reserve**

Pursuant to decision GC.6/Dec.15 paragraph (e), the amount of $9,546,732 representing the balance of appropriations for the biennium 1992-1993 which has been paid in was transferred to a separation indemnity reserve in 1995. The reserve has effectively been reduced to $1,823,246 by payments made in 1995 and 1996.

(ii) **Increase in the US dollar value of Austrian schilling contributions, 1994-1995**

Pursuant to decision IDB.7/Dec.7, arrears of assessed contributions in Austrian schillings for 1994-1995 were valued at the exchange rate of US$ 1 = AS 10.64, being the average exchange rate for the three-year period covering the biennium 1994-1995 and the 12-month period following that biennium and ending on 31 December 1996. The result of this revaluation was a decrease of $3,737,399 in the dollar value of unpaid contributions for 1994-1995.

(e) **Savings on or cancellation of obligations from the prior biennium**

The following is an analysis, expressed in millions of United States dollars, of savings on liquidation of 1994-1995 obligations and of the status of appropriations for that biennium as at 31 December 1996.

Major programme	Balance of appropriations as at 31 December 1995	Savings on liquidation of obligations in 1996	Balance of appropriations as at 31 December 1996
Policy-making Organs	1.6	0.3	1.9
General Management	(1.2)	0.4	(0.8)
Country Strategy and Programme Development		0.6	0.6
Mobilization and Management of Financial Resources	0.3	0.1	0.4
Information and Research	1.6	0.3	1.9
Human Resource, Enterprise and Private Sector Development	0.9	0.1	1.0
Industrial Sectors and Environment	4.6	0.2	4.8
Investment and Technology Promotion	1.0	0.2	1.2
Common Programmes	3.3	1.1	4.4
Operational Support Services	(0.4)	0.2	(0.2)
Joint and Common Services	9.9	1.0	10.9
Administration	2.3	0.1	2.4
Total A	23.9	4.6	28.5
	(Excess) shortfall over approved estimate	(Excess) shortfall accrued income	(Excess) shortfall over approved estimates
Income	(3.1)	(0.7)	(3.8)
Total B	(3.1)	(0.7)	(3.8)
Total A - B	27.0	5.3	32.3

(f) **Accounts receivable - other**

The following table is an aged analysis of other accounts receivable, expressed in millions of United States dollars as at 31 December 1996:

	Less than one year	More than one year	Total
Governments	1.8	-	1.8
Staff members	2.3	-	2.3
Specialized agencies	7.4	-	7.4
Income tax recoverable	0.3	-	0.3
Deferred charges	1.1	-	1.1
Other	1.1	-	1.1
Total accounts receivable - other	14.0	-	14.0

UNIDO has entered into incentive agreements with five airlines. The amounts due to the Organization under these agreements were still unknown at the time of preparation of the financial statements.

(g) **Contributions received in advance**

Twelve Member States paid contributions in advance, of varying amounts, totalling $1.3 million.

(h) **Borrowings**

At the time UNIDO became a specialized agency an interest-free loan of $16,000,000 was received from the United Nations. The loan is repayable at the rate of $1,000,000 a year, commencing in 1990.

(i) **Accounts payable - other**

The following table is an analysis of the accounts payable, expressed in millions of United States dollars, as at 31 December 1996:

Staff members	2.4
Vendors	0.6
Specialized agencies	3.5
Repatriation grants	0.1
Other	0.3
Total accounts payable - other	6.9

(j) **Other funds and special accounts**

United States income tax in the amount of $950,490 reimbursed to staff members prior to the effective date of the tax reimbursement agreement was claimed from the Government of the United States of America but not reimbursed. After the withdrawal of the United States of America and after the termination of the tax reimbursement agreement effective 31 December 1996, this amount was offset against the provision established in 1993 against 1992-1993 appropriations.

(k) **Working Capital Fund**

The amount of the Fund was set by the General Conference at $9 million (GC.2/Dec.27). For the biennium 1996-1997 the level of the Working Capital Fund was reduced to $6,750,000 (GC.6/Dec.16). The advances received from the United States of America were applied against arrears of contributions receivable from that Member State. To finance budgetary appropriations pending the receipt of contributions, a total of $6,704,188 was advanced to the General Fund as at 31 December 1996.

(l) **Surplus due to Member States**

(i) The following is an analysis, expressed in millions of United States dollars, of the net excess of income over expenditure for the year 1996:

Receipts from Member States	75.8
Other income	14.3
Subtotal	90.1
Disbursements	89.0
Excess (shortfall) of receipts over disbursements	1.1
Unliquidated obligations	8.5
Provisional surplus (deficit)	(7.4)
Contributions due from Member States	33.2
Provisional excess of income over expenditure	25.8

(ii) Following the United Nations' common accounting standards and the recommendation of the External Auditor, for the first time in the history of the Organization, UNIDO established a provision for the delay in the collection of assessed contributions. The provision comprises arrears of contributions receivable from

Member States and new Member States relating to the bienniums 1986-1987 to 1994-1995 as at 31 December 1996.

The following is an analysis of the surpluses due to Member States, expressed in millions of United States dollars after application of the provision:

	Surpluses	Provision for delays in the collection of contributions	Surplus due to Member States
1996 (provisional)	25.8		25.8
1994-1995	31.5	55.9	(24.4)
1992-1993	5.2	3.7	1.5
1990-1991 (Retained - GC.5/Dec.14)	8.7	1.3	7.4
1988-1989 (Retained - GC.4/Dec. 15)	6.5	0.2	6.3
1986-1987	-	0.1	(0.1)
Contributions from new Member States	1.0	0.6	0.4
Total	78.7	61.8	16.9

(m) **Commitments**

Commitments of $1.9 million for facilities management entered into prior to 31 December 1996 represent legal obligations for which disbursements will be made in 1997 or in future bienniums. Obligations in currencies other than US dollars have been converted to US dollars at the official United Nations rate of exchange in effect in December 1996.

Long-term contracts awarded for the operation of the VIC are not reported as commitments as they may be terminated at any time without penalty.

(n) **Non-expendable equipment**

The following table shows the non-expendable equipment, at cost, expressed in millions of United States dollars, according to the cumulative inventory records of UNIDO as at 31 December 1996. In accordance with UNIDO accounting policies, non-expendable equipment is not included in the fixed assets of the Organization but is charged against the appropriations when acquired. The minimum dollar value per item of non-expendable property is $1,500.

Balance as at 1 January 1996		15.4
Add:	Acquisitions during 1996	1.2
Deduct:	Disposals during 1996	1.5
Balance as at 31 December 1996		15.1

(o) **Contingent liability for end-of-service payment to staff**

In accordance with the decision taken by the Panel of External Auditors in 1989 at Manila, UNIDO calculated the amounts required to cover the estimated costs of contingency liabilities for end-of-service payment as at 31 December 1996. After implementation of two staff reductions and based on the experience gained, the amounts would be:

Regular budget	$74.5 million
Operational budget	$6.2 million.

It should be noted that no budgetary provision has been made, except that in the case of the operational budget as reflected in Statement II and note 3(c) - operating reserve there is a contingency reserve of $4.3 million which was effectively reduced by negative fund balances to $3.4 million.

(p) **Contingent liability to the United Nations Joint Staff Pension Fund**

Pursuant to Article 26(a) of the Regulations and Rules of the United Nations Joint Staff Pension Fund, member organizations are obliged to pay in the sum necessary to make good the deficiency in the event that the actuarial valuation of the Fund shows that its assets may not be sufficient to meet its liabilities under these regulations. The United Nations Joint Staff Pension Fund Secretariat is to determine the potential liability of each member organization. In the report of the twenty-third actuarial valuation of the United Nations Joint Staff Pension Fund, the Consulting Actuary has assessed the actuarial sufficiency of the Fund. There is no requirement for deficiency payments under Article 26 of the Regulations of the Fund as of 31 December 1995.

(q) **Contributions in kind**

Contributions in kind estimated at $62,300 were received from Member States in support of the UNIDO field service.

(r) **Common Fund for Major Repairs and Replacements**

On 1 January 1981 an agreement between the Republic of Austria, the United Nations, and the International Atomic Energy Agency (IAEA) went into effect to establish a common fund for the purpose of financing the cost of major repairs and replacements of buildings, facilities and technical installations which are the property of the Republic of Austria and form part of the headquarters areas of the United Nations and IAEA at the Vienna International Centre (VIC). This agreement has also applied to UNIDO since 1986 when it became a specialized agency. The Fund is administered by the Director of General Services of UNIDO through a joint committee. Annual financial statements are prepared by UNIDO and audited by UNIDO Internal Audit. The liability of each of the three VIC-located organizations, which was under the agreement limited to $150,000 per year, i.e. $25,000 as an annual contribution and up to $125,000 as reimbursement of approved expenditures incurred in the previous year, was increased to $325,000 as of 1 January 1996. The Republic of Austria is liable to pay the balance exceeding the combined limit of $900,000 established for the three United Nations organizations.

The Fund balance as at 31 December 1996 was $2,280,816.

Note 3. Other headquarters funds

(a) Funds reported under this heading comprise the special account for programme support costs and the Computer Model for Feasibility Analysis and Reporting (COMFAR).

(b) **Net excess of income over expenditure**

The following is an analysis, expressed in United States dollars, of income and expenditure during the year 1996 for the funds reported under this heading.

	Special account for programme support costs	Computer model for feasibility analysis and reporting	Total
Income	12,625,443	542,101	13,167,544
Expenditure	13,161,366	442,155	13,603,521
Net excess of income over expenditure	(535,923)	99,946	(435,977)

(c) **Operating reserve**

An operating reserve, established in respect of the special account for programme support costs in accordance with PBC conclusion 1989/4 at $5,504,190 was reduced to $4,300,000 in accordance with Board decision IDB.14/Dec.12. The reserve was effectively reduced by the negative fund balances of $925,025 to $3,374,975.

(d) **Contributions in kind**

Contributions in kind estimated at $86,200 were received from Member States in support of the UNIDO field service.

Note 4. Technical cooperation

(a) Technical cooperation activities reported under this heading comprise activities executed by UNIDO with funds provided through the Industrial Development Fund, trust funds and inter-organization agreements with UNDP and other organizations.

(b) **Transfers to reserves**

This represents the charge to projects in respect of the provision for compensation payments referred to in note 1(n).

(c) Of the cash balance, $155,019,286, the equivalent of $889,177 is held in currencies classified as non-convertible, as follows:

Industrial Development Fund	889,177
Total non-convertible currencies	889,177

(d) **Accounts receivable - other**

The following table is an aged analysis of other accounts receivable, expressed in millions of United States dollars, as at 31 December 1996:

	Less than one year	More than one year	Total
Staff members	0.4	-	0.4
Specialized agencies	0.3	0.1	0.4
Other	2.9	-	2.9
Total accounts receivable	3.6	0.1	3.7

(e) **Other assets**

The table below provides an analysis of the amount shown as other assets, expressed in millions of United States dollars, as at 31 December 1996:

IOV charges pending clearance	5.2
Other	0.2
Total other assets	5.4

(f) **Voluntary contributions receivable, advances and other liabilities**

The balance of pledged contributions receivable since the inception of the Industrial Development Fund including balances brought forward from UNIDF and pledges for 1997 and future years ($73,654,188) is $29,894,436. Advances of $7,718,385 were received in excess of special-purpose pledges.

(g) **Accounts payable - other**

The following table is an analysis of other accounts payable, expressed in millions of United States dollars as at 31 December 1996:

Staff members	0.1
Specialized agencies	1.4
Repatriation grants	1.0
Prior years' obligations	3.8
Other	1.8
Total accounts payable	8.1

(h) **Operating reserves**

The Industrial Development Board, in decision IDB.2/Dec.7, authorized the freezing of the operational reserve of the Industrial Development Fund at $550,000.

(i) Commitments, representing legal obligations for which disbursements will be made in 1997 or in future bienniums, were entered into prior to 31 December 1996, as follows (expressed in millions of United States dollars):

Industrial Development Fund	15.7
Trust funds	2.3
Inter-organization arrangements	2.1
	20.1

(j) *Ex gratia* payments in the amount of $16,700 in respect of the Industrial Development Fund and $32,450 in respect of trust funds were approved by the Director-General and charged to the respective projects in agreement with donors.

(k) Pursuant to the Memorandum of Understanding between UNIDO and UNDP dated April 1989 concerning the integration of the UNIDO field service within the UNDP field office, UNDP provided resources in the amount of $2,671,396 in support of the UNIDO Country Director programme in 1996.

Note 5. Self-liquidating commercial activities (annex I)

VIC Catering Services

Contingency liabilities for termination benefits and indemnities amount to $450,731. Non-expendable equipment used by the VIC Catering Services has been purchased by UNIDO. According to cumulative inventory records its value amounts to $2,430,966. In accordance with agreements regarding the operation of the VIC, 68.4 per cent of the total value was recovered from other agencies when acquired.

Annex I

SELF-LIQUIDATING COMMERCIAL ACTIVITIES
(In United States dollars)

VIC Catering Services
Statement of income and expenditure for the year ended 31 December 1996

Income	
Gross sales	5,479,924
Less: Cost of goods sold	2,087,386
Net income from sales	3,392,538
Other income	198,541
Total income	3,591,079
Expenditure	
Personnel services	3,312,551
Other	421,543
Total expenditure	3,734,094
Excess (shortfall) of income over expenditure	(143,015)

Statement of assets and liabilities as at 31 December 1996

Assets	
Cash	1,027,116
Accounts receivable	195,335
Interest receivable	11,259
Inventory	85,608
Due from UNIDO General Fund	46,689
Total assets	1,366,007
Liabilities	
Accounts payable	145,295
Total liabilities	145,295
Fund balance	
Balance available 1 January 1996	1,363,727
Add: Excess (shortfall) of income over expenditure	(143,015)
Balance available 31 December 1996	1,220,712
Total liabilities and Fund balance	1,366,007

Annex II

TECHNICAL COOPERATION ACTIVITIES EXECUTED BY UNIDO

Table 1. Combined statement of income and expenditure and changes in reserves and fund balances for the year ended 31 December 1996

(In thousands of United States dollars)

	Regular Programme	Industrial Development Fund	Trust funds	Inter-organization arrangements	Total 1996
INCOME					
Assessed contributions					
Voluntary contributions		61,258.7	7,997.1		69,255.8
Other income					
Funds received under inter-organization arrangements					
Allocations from other funds	3,286.6			30,345.0	33,631.6
Interest income		5,190.3	2,094.3		7,284.6
Currency exchange adjustments		(140.9)	(125.1)		(266.0)
Miscellaneous		(19.1)	(14.0)		(33.1)
TOTAL INCOME	3,286.6	66,289.0	9,952.3	30,345.0	109,872.9
EXPENDITURE					
Salaries and common staff costs	2,153.1	13,646.6	10,298.0	13,271.1	39,368.8
Contractual services	82.3	19,306.3	898.8	1,416.2	21,703.6
Operational expenses	255.6	1,960.9	475.4	1,311.3	4,003.2
Acquisitions	140.2	9,906.6	473.9	6,572.5	17,093.2
Fellowships	655.4	2,248.0	640.5	3,551.1	7,095.0
Programme support costs		5,942.1	1,626.9	4,275.7	11,844.7
TOTAL EXPENDITURE	3,286.6	53,010.5	14,413.5	30,397.9 (a)	101,108.5
EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		13,278.5	(4,461.2)	(52.9)	8,764.4
Prior biennium adjustments				(15.5)	(15.5)
Provision for delays in collection of contributions					
NET EXCESS (SHORTFALL) OF INCOME OVER EXPENDITURE		13,278.5	(4,461.2)	(68.4)	8,748.9
Savings on or cancellation of prior biennium's obligations					
Transfers to reserves		82.9	33.2		116.1
Transfers from reserves					
Transfers to/from other funds					
Credits to member states					
Other adjustments to reserves and fund balances					
Reserves and fund balances, beginning of biennium		40,605.6	34,728.5	136.7	75,470.8
RESERVES AND FUND BALANCES, END OF BIENNIUM		53,967.0	30,300.5	68.3	84,335.8

References:- (a) - Annex II, Table 5.

Table 2. Combined statement of assets, liabilities, and reserves and fund balances as at 31 December 1996
(In thousands of United States dollars)

	Regular Programme	Industrial Development Fund	Trust funds	Inter-organization arrangements	Total 1996
ASSETS					
Cash and term deposits		121,178.0	34,936.5	-1,095.3	155,019.2
Investments					
Accounts receivable					
Assessed contributions receivable from Member States					
Voluntary contributions receivable		29,894.5			29,894.5
Other contributuions receivable				9,226.6	9,226.6
Less provision for delay in collection of contributions					
Interfund balances		1,101.5		285.4	1,386.9
Other		2,143.5	357.6	1,224.3	3,725.4
Other assets			1.9	5,393.5	5,395.4
TOTAL ASSETS		154,317.5	35,296.0	15,034.5	204,648.0
LIABILITIES					
Payments or contributions received in advance		7,718.4			7,718.4
Unliquidated obligations		17,675.4	3,022.1	9,526.0	30,223.5
Accounts payable					
Interfund balances			631.0		631.0
Other		1,302.5	1,342.4	5,440.2	8,085.1
Other funds and special accounts					
Other liabilities		73,654.2			73,654.2
TOTAL LIABILITIES		100,350.5	4,995.5	14,966.2	120,312.2
RESERVES AND FUND BALANCES					
Operating reserves		550.0			550.0
Other reserves		843.2	875.8		1,719.0
Balances relating to projects funded by donors					
Working capital funds					
Surplus (deficit)		52,573.8 (b)	29,424.7 (c)	68.3	82,066.8
TOTAL RESERVES AND FUND BALANCES		53,967.0	30,300.5	68.3	84,335.8
TOTAL LIABILITIES, RESERVES AND FUND BALANCES		154,317.5	35,296.0	15,034.5	204,648.0

References:- (b) - Annex II, Table 3
(c) - Annex II, Table 4

Table 3. Summary of transactions on sub-accounts of the Industrial Development Fund for the year ended 31 December 1996

(In United States dollars)

	Fund balance as at 01/01/1996	Increase in firm pledges 1996	Interest accrued, 1996	Other income, 1996	Expenditure, 1996	Fund balance as at 31/12/1996
General-purpose convertible	2,422,741	878,922	119,864	(18,209)	1,056,655	2,346,663
Agence de Cooperation Culturelle et Technique	26,379	70,277	5,751	(12)	60,171	42,224
Agence Wallonne a l'Exportation	35,904	138,084	2,678	(40)	149,439	27,187
Arab Industrial Development and Mining Organization	4,945	0	1,643	0	0	6,588
Australia	57,793	19,781	2,568	0	0	80,142
Austria	1,584,381	2,112,160	(555,532)	(46,202)	2,280,651	814,156
Bahrain	68,332	217,375	14,088	(68)	116,095	183,632
Belgium	2,177,304	1,018,846	147,153	(168,955)	811,742	2,362,606
Brazil	26,631	0	3,290	0	0	29,921
China	717,088	195,607	71,155	(47)	171,474	812,329
Corporacion Andina de Fomento	39,032	0	4,038	(83)	0	42,987
Cote d'Ivoire	(442)	0	0	0	0	(442)
Costa Rica	7,588	71,648	0	(23)	63,002	16,211
Czech Republic	,630	253,407	8,707	(79)	7,515	147,150
Democratic People's Republic of Korea	200,573	101,191	10,175	(38)	211,222	100,679
Denmark	656,064	(167,614)	18,895	(34)	194,147	313,164
Finland	159,653	(17,263)	11,856	(20)	47,644	106,582
France (Ministere des Affaires Etrangeres)	4,011,574	1,761,147	90,770	(116,157)	1,437,687	4,309,647
France (Ministere d'Agriculture)	1,668,983	467,294	7,457	(31,840)	284,382	1,947,512
Germany (a)	4,874,613	3,026,104	216,031	(85,871)	3,658,924	4,371,953
Greece	98,470	469,519	4,418	(549)	406,156	165,702
Inverni della Beffa	2,979	0	(3,001)	0	0	(22)
India	1,426,597	286,202	40,054	586	891,657	861,782
Instituto Tecnologico y de Estudios Superiores de Monterrey	4,939	0	795	0	(2,461)	8,195
Intergovernmental Negotiating Committee for a Convention to Combat Desertification	241	94	(340)	0	0	(5)
Iran (Islamic Republic of)	32,018	0	1,743	0	0	33,761
Italy	7,940,290	4,293,091	538,776	783,993	3,407,864	10,148,286
Japan	2,416,349	4,441,364	247,919	(131,690)	3,955,095	3,018,847
Montreal Protocol	5,769,070	37,446,675	3,550,981	(5,264)	28,256,883	18,504,579
Netherlands	2,659,964	250,286	161,289	(531)	1,353,067	1,717,941
New Zealand	58,183	0	3,068	(1)	8,058	53,192
Norway	436,059	283,578	44,556	(1,089)	222,175	540,929
Portugal (Institute for Portuguese Cooperation)	491,935	(323,295)	10,980	(2,905)	0	176,715
Portugal (Multilateral Cooperation)	16,591	0	7,822	(2,067)	0	22,346
Poland	(27,668)	157,521	719	(562)	100,449	29,561
Republic of Korea	82,572	33,977	25,870	(26)	(9,334)	151,727
Saudi Arabia	577,912	14,280	82,940	(17)	93,055	582,060
SG des Eaux Minerals de Vittel	6,576	0	393	(8,081)	0	(1,112)
Slovakia	1,490	0	796	(14)	0	2,272
Spain	205	0		0	0	217

	Fund balance as at 01/01/1996	Increase in firm pledges 1996	Interest accrued, 1996	Other income, 1996	Expenditure, 1996	Fund balance as at 31/12/1996
Sweden	171,425	0	0	0	0	171,425
Switzerland	2,043,250	2,677,138	221,308	(180,659)	2,336,110	2,424,927
Turkey	105,226	233,089	4,178	(2,273)	168,171	172,049
UNDCP	(38,868)	(78,189)	0	(1,357)	(130,143)	11,729
Undetermined	93,832	(2,102)	0	0	93,418	(1,688)
United Kingdom	230,217	45,200	(80,433)	67	36,212	158,839
Venezuela	24,754	0	28	0	0	24,782
Total special-purpose convertible	40,953,633	59,496,472	5,045,594	(1,908)	50,800,527	54,693,264
Bulgaria	(260,571)	0	1,107	(8,369)	0	(267,833)
China	(185,282)	51,857	0	(11)	51,894	(185,330)
Cuba	(32,411)	0	0	(12)	0	(32,423)
Czech Republic	(1,382)	402,929	3,372	(2,582)	403,846	(1,509)
Egypt	(61,351)	0	0	0	0	(61,351)
Hungary	(137,214)	46,721	3,735	(47,905)	43,209	(177,872)
India	(1,070,033)	(171,501)	15,393	(9,840)	4,095	(1,360,076)
Iran (Islamic Republic of)	(7,998)	0	0	0	0	(7,998)
Mongolia	(15,797)	0	0	0	0	(15,797)
Pakistan	(58,121)	0	0	(2,659)	0	(60,780)
Poland	(261,910)	261,017	0	(7,243)	266,713	(274,849)
Romania	(53,384)	0	147	(93)	0	(53,330)
Russian Federation	(971,866)	0	0	(6)	0	(971,872)
Slovakia	11,252	188,571	0	(6,087)	184,393	9,343
Turkey	(487,691)	103,737	1,029	(55,104)	79,149	(517,178)
Yugoslavia (b)	(487,267)	0	0	0	0	(487,267)
Total non-convertible	(4,081,026)	883,331	24,783	(139,911)	1,153,299	(4,466,122)
Grand total	39,295,348	61,258,725	5,190,241	(160,028)	53,010,481	52,573,805

(a) Includes balances from former German Democratic Republic.

(b) Concerning Yugoslavia, see resolution GC/5.1/Res.1 adopted by the General Conference at its first special session.

Table 4. Summary of technical cooperation activities financed by trust funds for the year ended 31 December 1996

(In United States dollars)

	Fund balance 01/01/1996	Contributions received, interest and miscellaneous income 1996	Expenditures 1996	Fund balance 31/12/1996
Projects financed by recipient Governments				
Algeria		17,223	4,023	13,200
Argentina	768,809	132,830	483,765	417,874
Bolivia	8,899	557	46	9,410
Belarus	18,574	1,009		19,583
Brazil	30,635	467,278	221,245	276,668
Chile	357	349		706
China	8,955	69,082	25,844	52,193
Colombia		765,432	487,432	278,000
Egypt	662,780	1,044,081	880,847	826,014
Iran, Islamic Republic of	45,993	2,498		48,491
Iraq	529,938	28,779		558,717
Libyan Arab Jamahiriya	1,891,056	4,088,347	3,404,717	2,574,686
Madagascar	189,970	399,147	342,306	246,811
Mexico		20,936	20,025	911
Oman	139,930	8,807	5,709	143,028
Paraguay		200,072	115,801	84,271
Russian Federation	64,998	370,319	165,634	269,683
Thailand	15,256	269	14,892	633
Turkey	42,649	1,635	35,378	8,906
Subtotal	4,418,799	7,618,650	6,207,664	5,829,785
Associate Experts				
Austria	60,414	342,732	155,455	247,691
Belgium	709,229	34,079	45,891	697,417
Denmark	508,724	21,836	214,078	316,482
France	138,900	6,704	49,978	95,626
Germany	121,146	174,119	147,226	148,039
Italy	702,292	(152,101)	171,064	379,127
Japan	482,363	329,195	185,948	625,610
Netherlands	268,828	919,829	960,217	228,440
Norway	81,361	2,348	57,668	26,041
Russian Federation	66,386	78,394	74,857	69,923
Subtotal	3,139,643	1,757,135	2,062,382	2,834,396
Junior Professional Officers				
Austria	15,771	14,773	15,295	15,249
Belgium	109,967	15,763	8,431	117,299
Denmark	187,813	19,355	13,102	194,066
Finland	69,569	3,778		73,347
France	10,498	570		11,068
Germany	381,238	45,997	40,463	386,772
Italy	38,522	2,085	22,917	17,690

	Fund balance 01/01/1996	Contributions received, interest and miscellaneous income 1996	Expenditures 1996	Fund balance 31/12/1996
Japan	41,640	2,262		43,902
Netherlands	210,141	34,089	27,677	216,553
Norway	47,139	2,623	(486)	50,248
Sweden	32,436	1,927		34,363
Switzerland	17,607	2,984	5,079	15,512
Subtotal	1,162,341	146,206	132,478	1,176,069
Projects financed by donor Governments				
Australia	185,705	174,810	129,548	230,967
Austria	1,448	79		1,527
Belgium	351,386	19,083		370,469
Canada	12,973	(6,788)		6,185
Denmark	289,654	16,043	(6,441)	312,138
France	246,735	(38,824)	134,191	73,720
Greece		56,180	6,230	49,950
India	578,377	(564,794)	(150,994)	164,577
Italy	8,051,205	(2,669,252)	(1,059,674)	6,441,627
Japan	7,232,678	557,783	1,757,275	6,033,186
Norway	17,411	78,499	59,275	36,635
Republic of Korea	232,039	284,853	143,149	373,743
Sweden	80,856	270,311	198,179	152,988
United Kingdom	2,083,044	82,953	1,373,774	792,223
USA	157,872	108,348	(37,609)	303,829
Subtotal	19,521,383	(1,630,716)	2,546,903	15,343,764
Other trust funds				
ABV Leasing und Hotel GsmbH	518	28		546
ALCOA Inter America Inc.	12,800	685	287	13,198
Arthur Andersen & Co	3,354	182		3,536
Associate Mining Industries, Nigeria	20,140	1,050	1,215	19,975
Banco de Sabadell	65,982	(124,412)	(58,430)	
Beni Suef Cement Company	458,637	755,474	1,129,240	84,871
Benue Cement Company	130,676	7,551	(8,286)	146,513
Bumar Labedy	1,611	88		1,699
Cement Company of Northern Nigeria	178,957	9,770	(567)	189,294
Centro de Investigacion y asistencia tecnica	(1,455)	15,170	9,867	3,848
Centro de investigaciones Textiles	21,325	367,517	319,037	69,805
Ceylon Steel Corporation	1,644	201	(2,104)	3,949
Chiyoda Corporation	87,839	(82,828)	1,997	3,014
Cooperation Council for the Arab States of the Gulf (GCC)	8,277	449		8,726
Engineering Consulting Firms Association	39,940	815	32,205	8,550
EPSTEIN Engineering Export Ltd.	572	31		603
Ernst and Young	81	(81)		
European Union	59,484	2,183	47,241	14,426
Fed. Chemical & Ceramics Corp.	(1,188)	(65)		(1,253)
Food and Agriculture Organization of the United Nations	195	10		205

	Fund balance 01/01/1996	Contributions received, interest and miscellaneous income 1996	Expenditures 1996	Fund balance 31/12/1996
ICN Pharmaceutical Inc.	(5,661)	5,661		
IFAD	88,170	106,168	64,308	130,030
Industrial Research and Consultancy Centre	329			329
Industrirade	(25,356)	25,356		
Inversionec Cofide S. A.	40,091	77,998	48,092	69,997
Iran Itok Engineering	7,546	410		7,956
Islamic Development Bank	13,772	746	34	14,484
Japan International Development Organization	454,291	24,671		478,962
Kwang Hua Development and Investment Ltd.	445,328	(445,489)	(161)	
Mitsui Co. Ltd.	6,769	541		7,310
National Financeria	(1,184)	(27)	(1,211)	
Neumann H. International CEE	2,444	(2,444)		
New Nigeria Development Co.	46,325	2,472	1,215	47,582
Nigerian Industrial Development Bank	63,990	3,432	1,215	66,207
Nigerian National Petroleum Corporation	1,011,815	66,258	320,395	757,678
Norad	383,998	13,872	280,267	117,603
Petroliam Nasional Berhard	19,113	1,092	(854)	21,059
Research Area of Trieste	81,202	15,825	(119,905)	216,932
Rockefeller Foundation	15,841	(15,841)		
Servicio Nacional de Aprendizagem Industrial	293,693	200,329	344,439	149,583
Sezione Speciale per l'Assicurazione de Credito	25,836	1,403		27,239
Shahid Modarres Ind Pharmac	38,191	2,074		40,265
Société Nationale d' Investissement du Cameroun	10,917	(10,917)		
Staudhammer Finanz AG		26,952	5,706	21,246
Swedish International Enterprise Development Association	80,311	240,195	175,856	144,650
The Ford Foundation	1,143	62		1,205
The Swiss Assoc. of Cement, Limestone & Gypsum Manuf.		272,281	106,411	165,870
The Yemen Corporation for Cement Industries	11,135	604		11,739
Ukrainisch-Österreichisches Forum	47,979	33,589	63,332	18,236
United Nations	353	20		373
United Nations Environment Programme	(91)	91		
United Nations Fund for Special Industrial Services	171,557	9,316		180,873
USAID		205,267	78,241	127,026
Wockhardt Ltd	88,907	(88,910)	(3)	
World Bank	791,083	218,780	310,712	699,151
Subtotal	5,299,226	1,945,655	3,149,791	4,095,090
Multi-donor trust funds	344,533	115,370	314,305	145,598
Subtotal	344,533	115,370	314,305	145,598
TOTAL	33,885,925	9,952,300	14,413,523	29,424,702

Table 5. Summary of technical cooperation activities financed under inter-organization agreements for the year ended 31 December 1996

(In United States dollars)

	Project expenditure	Programme support	Total expenditure
UNDP			
Old regime			
UNDP main programme	3,805,930	484,164	4,290,094
Projects for which UNIDO is the associated agency	17,282	2,247	19,529
Government-executed projects for which UNIDO is the cooperating agency	1,363,668	177,277	1,540,945
UNDP trust funds	143,849	10,366	154,215
New regime			
- TSS-1	1,164,506	735,039	1,899,545
UNDP main programme	11,870,742	1,179,842	13,050,584
- TSS-2	146,522	302,772	449,294
Projects for which UNIDO is the associated agency	176,792	19,855	196,647
- TSS-2		2,850	2,850
Government-executed projects for which UNIDO is the implementing agency	5,574,875	504,744	6,079,619
- TSS-2	194,764	696,048	890,812
UNDP trust funds	1,594,825	160,523	1,755,348
UNEP	68,427		68,427
	26,122,182	4,275,727	30,397,909

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United Nations Industrial Development Organization

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Industrial Development Board

Resumed eighteenth session
Vienna, November 1997
Item 4 (g) of the provisional agenda

Programme and Budget Committee

Thirteenth session
Vienna, 8-11 September 1997
Item 4 of the provisional agenda

FINANCIAL SITUATION OF UNIDO

Intersessional open-ended discussion group to study applicable measures to expedite timely payment of assessed contributions

Report of the Chairman
(H.E. Mr. S.K. Lee, Republic of Korea)

Summary

Reports on the meeting of the open-ended discussion group convened on 13 June 1997 in compliance with Board decision IDB.16/Dec.6.

1. In decision IDB.16/Dec.6, the Board took note of the report of the open-ended discussion group to study applicable measures to expedite timely payment of assessed contributions (IDB.16/9). In the same decision, the Board decided that the open-ended discussion group should continue working on the issue of timely payment of assessed contributions, and requested the group to report to the Board at its seventeenth session, through the Programme and Budget Committee. In compliance with that decision, the open-ended discussion group met on 13 June 1997. The meeting was chaired by Mr. Sung Joo Choi (Republic of Korea), on behalf of H.E. Mr. S.K. Lee, President of the Industrial Development Board and Chairman of the open-ended discussion group.

2. It was noted that a number of important developments had occurred since the adoption of decision IDB.16/Dec.6, and that these had crucial implications for the very future of the Organization. Furthermore, the adoption of decision IDB/S.7/Dec.2 by the Board at its seventh special session altered the reporting mandate of the discussion group, which would report through the Programme and Budget Committee to the Board at its eighteenth session.

3. Notwithstanding the procedural implications arising from related developments, the meeting reiterated the importance of continuing efforts to identify measures to expedite the timely payment of assessed contributions.

ACTION REQUIRED OF THE COMMITTEE

4. In consideration of the importance of the issue of securing financial resources for the Organization by ensuring that assessed contributions be paid in full and on time, the Committee may wish to consider requesting the open-ended discussion group to continue its work.

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